

MODERN
MANUALS OF COMMERCE

BY

FREDK. HOOPER and JAMES GRAHAM.

- 1.-Introduction to Modern Business Methods:--The Home Trade.
- 2.-Modern Business Methods: The Import and Export Trade.
- 3.-Business Letters.

(Others in preparation).

NOTE:--Apparatus provided for use in connection with these Manuals:--

Teachers' Pamphlet, explaining how to equip and conduct Classes in Modern Business Methods.

Answers to Questions set in the Manuals of Modern Business Methods.

Copy Books, for use in connection with the Manuals of Modern Business Methods.

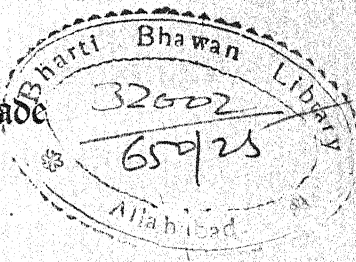
637

AN
INTRODUCTION
TO
MODERN BUSINESS METHODS

BEING A GUIDE TO THE OPERATIONS
INCIDENTAL TO THE TRADE OF THE UNITED
KINGDOM, WITH THE CUSTOMARY
DOCUMENTS AND CORRESPONDENCE

A REFERENCE BOOK FOR BUSINESS MEN
AND
A TEXT BOOK FOR COMMERCIAL STUDENTS

The Home Trade



BY

FREDK. HOOPER

Secretary of the Bradford Chamber of Commerce

AND

JAMES GRAHAM

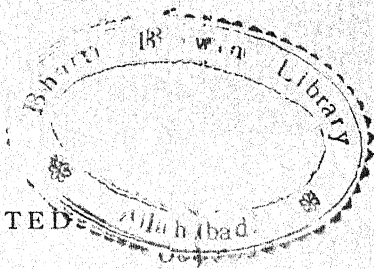
*Inspector for Commercial Subjects and Modern
Languages to the West Riding
County Council*

London
MACMILLAN AND CO., LIMITED
NEW YORK: THE MACMILLAN COMPANY

1897

LEEDS:

CHORLEY & PICKERSGILL, ELECTRIC PRINTING WORKS, COOKRIDGE STREET.



DEDICATED

TO THE

Bradford Chamber of Commerce

AND THE

London Chamber of Commerce,

THE PROPOSER AND SECONDER RESPECTIVELY OF THE FOLLOWING

RESOLUTION, WHICH WAS UNANIMOUSLY ADOPTED

AT THE MEETING OF THE

ASSOCIATION OF CHAMBERS OF COMMERCE,

HELD AT MIDDLESBROUGH,

September 14th, 1897:—

"That in the opinion of this Association, it is desirable that young persons intended for commercial careers should, besides passing through the ordinary curriculum of a Secondary School, be specially instructed in subjects appertaining to commerce; and that in order to encourage the provision of such instruction, and with a view to securing that the facilities for commercial education in the United Kingdom shall not be inferior to those of any Continental country, it is urgently necessary that Government aid should be extended to the teaching of commercial subjects, as it now is to the teaching of Science and Art."

AND TO THE

Other Chambers of Commerce

WHICH HAVE TAKEN AN INTEREST IN COMMERCIAL EDUCATION.

PREFACE.

IN commercial affairs an increasing amount of knowledge is required from the employer as well as from the employed, and it is now more than ever necessary to remember that an Office is a place where commercial knowledge must be *used* rather than sought.

Considering that we are pre-eminently a commercial nation, and that Great Britain ranks as the first commercial country in the world, it is a matter for surprise that "Commercial Education" should have been so strangely neglected in this country. Twelve years ago the Royal Commission on the Depression of Trade stated in their Report: "In the matter of education we seem to be particularly deficient, as compared with some of our foreign competitors; and this remark applies not only to what is usually called Technical Education, but infinitely more to the ordinary Commercial Education which is required in Mercantile Houses." Since then, however, mainly on the stimulus of the leading Chambers of Commerce, efforts have been made to remedy this state of affairs, and of late years several movements have been initiated with that object. Among the earlier of these were the Commercial Education schemes of the Oxford and Cambridge Schools Examination Board and the London Chamber of Commerce. The former proved to be in advance of the times, and, owing to the paucity of candidates for examination, has been discontinued. The scheme of the London Chamber of Commerce has been more successful. It is still in operation, and doubtless would have been still more successful but for the fact that Schools, being unable to obtain Government Grants on Commercial Courses, could not afford to adopt this scheme in its entirety.

It is fast becoming a necessity that facilities should be provided whereby the Technical Education of those who are destined to earn their living in the world of Commerce may be commenced when they have reached a given standard of knowledge in ordinary subjects, and *before* the time when they must occupy a position in an office.

Attendance at carefully Organised Courses in Commercial Subjects and Modern Languages, conducted by fully qualified teachers, would enable a youth to acquire in a few months information that it would probably take years to "pick up" haphazard in an office; and the instruction thus given could be supplemented by a technical and scientific teaching of the "whys and wherefores" of the work such as can seldom or never be obtained in the office alone, thereby enabling a person to reach the stage at which he acquires a value as a competent employé much earlier than if he had gone into an office without such preparatory training.

The question is, how and where in the United Kingdom can a youth acquire an all-round commercial knowledge? In this country there are no High Schools of Commerce, heavily subsidised by the Government, as there are on the Continent. Moreover there are no Government Grants for Organised Courses in Commercial Subjects and Modern Languages, as there are for Organised Courses in Science and Art; therefore, as these Commercial subjects are non-grant-earning, schools cannot afford to take them up. Thus while a young man intended for the engineering, legal, medical, or clerical profession can readily obtain that instruction best suited to his requirements, and may by means of a University or other Diploma receive a formal acknowledgment of his having reached a minimum degree of proficiency, no such advantages are possible to those who are studying for positions in the mercantile world. The result is that boys commence their commercial education *after they have left school*, and pick up a certain amount of commercial information as a matter of chance, entering the office totally ignorant of the very nature of the work they are called upon to perform. It would benefit our trade if British boys, destined for commercial careers, could, on reaching 14 or 15 years of age, attend Schools of Commerce for two or three years (just as at present boys can attend Schools of Science) and be taken through Organised Commercial Courses. The boys, on completing their school courses, would then be just as far advanced, if not further, than those who had entered an office without this training at 14 or 15, with the incalculable advantage (if they had wisely used their time) of possessing as a foundation an education and knowledge that would always be a help to them, and would enable them to mount the commercial ladder and assist in the development and extension of British Trade at home and abroad.

Turning to the West Riding of Yorkshire, something is being done under the Commercial Education scheme of the West Riding County Council, who have drawn up courses in the following subjects:—

1. The Office Work and Business Methods incidental to the Home, Import and Export Trade of the United Kingdom (taught practically and with suitable apparatus).
2. Mathematics relating to Commerce, Foreign Currencies, Weights and Measures.
3. Book-keeping, and Elementary Accountancy, Auditing and Banking.
4. English Commercial Correspondence and Précis writing.
5. The products of the Animal, Mineral and Vegetable Worlds, and their connection with the principal British Industries (practically illustrated by means of Commercial Museums).
6. The Principles of Commerce and Economics.
7. Modern Languages, keeping in view, as an object, the practical use of the languages for business purposes.
8. Commercial Geography and History.
9. Chemistry and other Sciences as bearing on trade, and Drawing.
10. Shorthand and Typewriting (as time-saving accomplishments).

The above is the only practical commercial scheme now in operation in Technical Classes and Secondary Schools, and it is in connection with the "Business Methods (Office Work)" syllabus of that scheme that this text book has been specially prepared.

In these Manuals we begin with the work which is usually performed by a Junior on his entrance into business life, and advance gradually until we embrace the more complex work usually undertaken by experienced men. The instruction will be found to be theoretical as well as practical, the "whys and wherefores" of everything being explained. For instance, when dealing with "Cheques" we not only show how to draw a cheque—which is a very simple matter—but we also explain the meaning and effect of the various methods of "crossing" and endorsing cheques, and also deal with their presentation and payment. Later on we shall go through the whole series of operations connected with special branches of office work, such, for example, as the Shipment of Goods, but it is of course necessary first to take each operation separately, commencing with the most elementary.

The books and documents used in commercial affairs differ more or less as between one office and another, as do also the methods of filing, copying, &c. These matters depend in great measure upon the character of the business, and whether the transactions are on a large or a small scale. The knowledge required of an employé also depends to a considerable extent upon the nature of the business with which he has become connected. For example, the routine in the office of an engineer differs in many respects from that in a bank, or even from that in a merchant's office. But on the other hand there are many points of similarity between the work in a manufacturer's office and that in the counting house of a merchant. The information contained in these Manuals will, we believe, be found serviceable in *any* business. It will, however, be applicable chiefly to the operations of a merchant, the work in a merchant's office being of an infinitely more varied and complex character than that of almost any other business, whilst at the same time it is in many respects analogous to that pursued in most business establishments.

Some of the matters dealt with in these books may perhaps be considered trivial, but it must be remembered that in business matters *nothing* is trivial. Every little act has an importance of its own—the careless wording of even a short note may result in the loss of an expensive law suit. And as regards the more elementary portions of the course, it must be borne in mind that these Manuals are intended primarily for the use of persons who have no knowledge of the subject, and who, therefore, require a full explanation of even elementary matters.

It may be asked, what is the use of teaching these elementary matters, which may be learned without difficulty when once one has set foot in an office? One reason is that a person is not engaged in an office to *acquire* information, but to make use of the knowledge he already possesses. Each person in an office has his appointed work, and a new comer frequently finds that his colleagues have neither the time nor the inclination to teach him *his* work. He has consequently to "pick it up" as best he can. Frequently he does not "pick up" the way that is best; moreover, the information thus acquired is by no means satisfactory. For instance, a youth may have the handling of a number of cheques every day, in paying them into the bank, but unless he is of a more enquiring turn of

mind than most of the juniors it has been our lot to deal with, it may be years before he learns the difference between an "open" cheque and a "crossed" one. Then again, he will have a very hazy notion as to the uses of Bills of Lading, although he may handle those documents every day. A Bill of Lading he looks upon chiefly as a receipt for goods shipped. He is not aware that it is a negotiable instrument, even if he knows the meaning of that term, and so with many of the commercial documents which may pass through his hands every day.

A youth who goes through the course upon which we are now entering will not be ignorant of such matters. He will not only understand and be able to intelligently perform the more mechanical duties usually assigned to him, but he will have a knowledge, both theoretical and practical, of most of the varied operations transacted by the members of the staff of a good office, which will stand him in good stead when the occasion for using it arises, as it is sure to do.

But a youth who has gone through this course preparatory to entering an office must not think that he will be able to obtain a superior position by reason of his superior attainments. Such posts are not given to beginners. He will have to begin at the bottom, or near the bottom; but the more he knows the greater will be his chance of rising, and of rising rapidly.

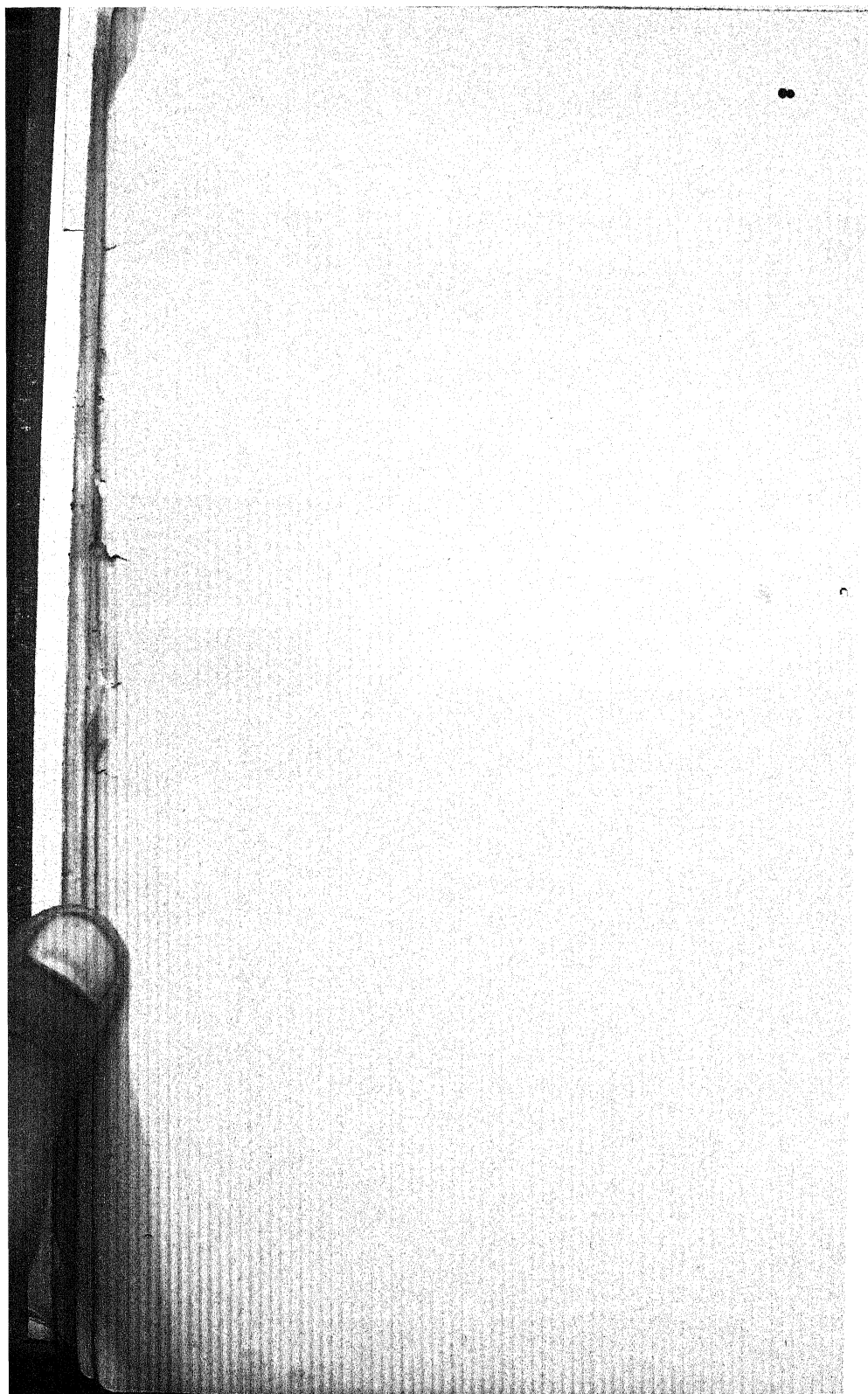
FREDK. HOOPER,

*Chamber of Commerce,
Bradford.*

JAMES GRAHAM,

*West Riding Offices,
Wakefield.*

21st October, 1897.



CONTENTS.

	PAGE
INTRODUCTORY CHAPTER	1

SECTION 1.

THE MECHANICAL OPERATIONS OF AN OFFICE OR COUNTING HOUSE.

CHAPTER I.

OUTGOING LETTERS, &c. : Press-copying of Written and Type-written Matter ; Letter-Sorting Rack	4
--	---

CHAPTER II.

INDEXING : Indexing the Letter-Book ; The Extension Index ; The Vowel Index ; The Card Index ; The Cross Reference or Page Index	8
--	---

CHAPTER III.

MAKING-UP LETTERS FOR POST : Folding Letters ; Addressing Envelopes ; Enclosures ; Late-fee Letters ; Registration and Insurance of Letters, &c.	12
--	----

CHAPTER IV.

THE POSTAGE BOOK and the Petty Cash Book	19
--	----

CHAPTER V.

INCOMING LETTERS, &c. : Letter and Telegram Register ; Filing, Pigeon-holing, and Docketing Letters	22
---	----

CHAPTER VI.

THE TELEPHONE: Sending and Receiving Messages	26
---	----

CHAPTER VII.

PURCHASES and SALES : Price Lists ; Prices Current ; Tenders and Estimates ; Firm Offers ; Quotations ; Orders ; How to Open Business ; Contract Notes ; Bought and Sold Notes ; Del Credere Contracts ; Delivery Orders	28
--	----

CHAPTER VIII.

INVOICES ; Credit Notes ; Delivery Book ; Consignment Notes ; Debit Notes ; Statements ; Discount ; Commission ; Brokerage ; Gross Weight ; Tare ; Nett Weight	PAGE 35
--	------------

CHAPTER IX.

FORWARDING OF GOODS : Delivery Book ; Consignment Notes ; Railway Rates and Charges	42
--	----

CHAPTER X.

REMITTING MONEY THROUGH THE POST OFFICE : Postal Orders ; Money Orders ; Telegraph Money Orders ; Advice Note	48
--	----

CHAPTER XI.

RECEIPTS FOR MONEY : Receipts of various kinds	52
--	----

CHAPTER XII.

FIRST STEPS IN BUSINESS CORRESPONDENCE : Private Letters ; Official Letters ; Commercial Letters ; Heading, date, address, commencement, ending, and signing of Letters ; Letter Reference ; Memorandum ; Abbreviations ; Examples of Letters	55
--	----

CHAPTER XIII.

PRÉCIS WRITING, with Examples	65
-------------------------------	----

CHAPTER XIV.

TELEGRAMS : Writing Out and Sending Telegrams	70
---	----

CHAPTER XV.

METHODS OF OBTAINING MULTIPLEX COPIES : Carbon Duplicating Process ; Stencil Copying	73
---	----

SECTION 2.

MEDIUMS OF EXCHANGE.

CHAPTER XVI.

MONEY : Money in Primitive Times ; Substances formerly used as Money ; Coins ; Coinage ; Meaning of Symbols £ s. d. ; Metallic Currency ; Paper Currency ; Bullion ; Specie ; Legal Tender ; Standard of Value ; Decimal Coinage ; Money as Merchandise ; the Money Market	75
--	----

CONTENTS.

XV

CHAPTER XVII.

	PAGE
BANKS AND BANKING: Banking generally; Savings Banks; the Bank of England; Private Banks; Joint Stock Banks; Fixed Deposits; Current Accounts; Advantages of a Banking Account; How to Open an Account with a Bank; Paying-in Money	83

CHAPTER XVIII.

CHEQUES: Drawing, Endorsing, and Crossing Cheques; "Not Negotiable" Cheques; Adding To or Altering the Crossing; Presentment for Payment; Stopping Payment	91
--	----

CHAPTER XIX.

BILLS OF EXCHANGE: Inland Bills and Foreign Bills; Stamp; Date; Amount; Parties; Acceptance; Liabilities of Parties; Currency; Days of Grace; Usance; Endorsement; Signing Bills; Case of Need; Bills Sent for Acceptance; Sets and Copies of Bills; Presentment for Payment; Dishonour; Discounting Bills; Interest; Advantages of Bills of Exchange; How Money is Remitted by Bills of Exchange; Accommodation Bills; Promissory Notes; I. O. U.'s; Council Bills; Telegraphic Transfers; Letters of Credit	110
---	-----

CHAPTER XX.

BUSINESS ABBREVIATIONS	138
------------------------	-----

SECTION 3.

IMPORTANT POSTAL MATTERS—ANNOTATED.

CHAPTER XXI.

Inland Letters; Foreign Letters; Book Post—Inland and Foreign; Newspapers; Patterns and Samples; Parcels; Post Cards; Express Delivery; Railway Letter Post; Re-direction; Perforation of Postage Stamps; Opening, &c., another person's letters.	140
---	-----

SECTION 4.

QUESTIONS.

ON CHAPTERS I. TO XXI.	159
------------------------	-----

NOTE TO READERS :—

It may perhaps be useful to mention that most of the matter contained in these Manuals is derived from wide and varied practical business experience at home and abroad, extending over a period of twenty-five years, and that endeavour has been made to write the books in language which may be easily understood.

NOTE TO TEACHERS :—

A pamphlet, consisting of hints and suggestions to teachers as to how to conduct classes in "Modern Business Methods," also of a list of apparatus which it is desirable should be provided for the practical teaching of the subject, and of its probable cost, may be obtained from the publishers (post free 1s.).

The pamphlet has been written by the authors of these Manuals, who originated the Business Methods Course as a subject of instruction in connection with the commercial scheme of the West Riding County Council. Under that scheme Training Classes for Teachers of "Business Methods," as well as ordinary Students' Classes in the subject, have been in operation for several years, and last year the "Business Methods" Course formed a subject of examination. Other County Councils and Unions of Institutes have now adopted the West Riding syllabus on this subject, and also intend to hold examinations in it.

NOTE TO TEACHERS AND STUDENTS :—

It has not been considered necessary to give in this book illustrations of files, copying-presses, and other office appliances, as such would probably, and rightly, be regarded as "padding." Any stationer will be glad to supply illustrated catalogues of such appliances on application.

MODERN BUSINESS METHODS.

INTRODUCTORY CHAPTER.

IF a young man without capital wishes to get on in commercial life, he should earn the goodwill of his employer by performing his duties so as to show that he is not afraid of doing more than he is paid for doing. He will then be certain of promotion.

An employé often finds that he is not the best judge of what constitutes a day's work; the chances are that his employer has been through the same routine of work himself, and understands it thoroughly.

In any case, if an employé prove himself useful and thoroughly trustworthy, the employer, in his own interest, will not part with him for a matter of money. But a young man in business life must *prove* that he can work, and that he is equal to any reasonable demand made upon him. He should never stop to watch the hands of the clock, or to think of the remuneration he will get, but should put himself heartily into his work, remembering that employers will generally find an opening for an energetic and trustworthy man who makes a special study of their business and interests.

A young man should not be content to let a knowledge of one or two subjects carry him through life, but should make a point of knowing as much as possible of his own particular line of business, and of everything connected with it. He can never acquire too much of such knowledge.

When he thinks of the many labour and time-saving devices which science has introduced into the world of commerce, and of the numerous and varied operations incidental to the buying and selling and importing and exporting of goods, a youth will at once perceive the necessity nowadays of a wide knowledge of modern business methods, should he aspire to become a captain in the field

of commerce and assist in developing and extending our trade at home and abroad.

Then a young man should be punctual, and if unavoidably absent he should send a note.

An employé should learn to be self-reliant and have confidence in himself, and thus avoid troubling his superiors with details and matters with which he should himself be competent to deal.

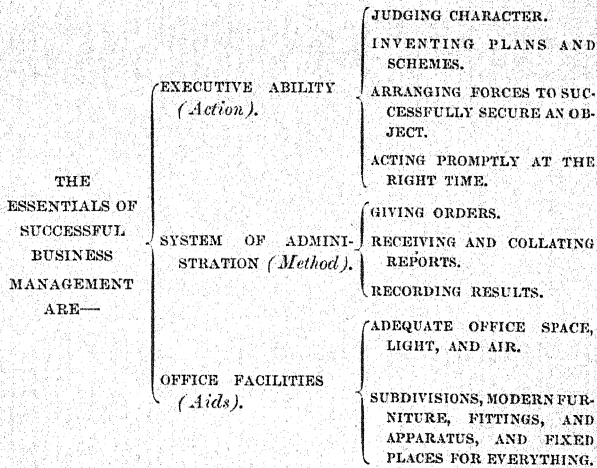
He should also be sure that he fully understands his employer's instructions ; if in doubt, he should ask again before proceeding to carry them out, otherwise mistakes and serious losses may result.

When going out he should leave a note on his desk, thus :
"Nov. 27—Bank—return at 10.45."

The elder Baron Rothschild had the walls of his bank placarded with the following maxims :—

1. Carefully examine every detail of your business.
2. Be prompt in everything.
3. Take time to consider, and then decide quickly.
4. Bear troubles patiently.
5. Be brave in the struggle of life.
6. Maintain your integrity as a sacred thing.
7. Never tell business lies.
8. Make no useless acquaintances.
9. Never try to appear something more than you are.
10. Pay your debts promptly.
11. Shun strong liquor.
12. Employ your time well.
13. Be polite to everybody.
14. Never be discouraged.
15. Do not reckon upon chance.
16. Dare to go forward.
17. Then work hard and you will be certain to succeed.

Attention may be given to the following outline Analysis of Business Management and Hints :—



Accuracy in business : what contributes to it.

Knowledge of principles ; Undivided attention to work ; Self-reliance ; System ; Figures—size and spacing ; Transferring amounts ; Careful and complete correction of errors ; Transcribing ; Plain writing ; Correct contractions and abbreviations ; Neatness.

Rapidity in work : what contributes to it.

Thorough knowledge of subject ; Attention, concentration ; System ; Routine of work ; Arrangement of work ; Self-control ; Rapid, regular, continuous work ; Rapid calculations and use of short methods ; Rapid writing ; Interest in work.

Neatness in work : what contributes to it.

Cleanliness, general and special ; Condition, arrangement, and care of tools and materials ; Neatness, arrangement, and size of writing ; Care in taking ink ; Care in handling books ; Turning leaves with care ; Correct use of blotter ; Making erasures and corrections properly ; Proper use of pencil ; Correct ruling.

We will now proceed to deal with the various operations and matters with which it is most desirable that a commercial man should be conversant. Endeavour has been made to arrange everything in logical sequence, and to take up the work in the order in which it would be approached by the tyro as he passes through the various grades from the lowest to the highest position in a first-class office or counting-house.

SECTION 1.

THE MECHANICAL OPERATIONS OF AN OFFICE AND COUNTING HOUSE.

CHAPTER I.

OUTGOING CORRESPONDENCE.

Press-copying.—A copy is, or ought to be, kept of every letter, invoice, or other document sent out of an office. Formerly, such copies had to be written by hand, but nowadays a much more expeditious process is adopted. This is a method of obtaining *fac-simile* copies by means of a machine called a *copying press*.

The paper used for press-copying is specially prepared for the purpose, and is known as *copying paper*. It is very thin and semi-transparent, something like tissue paper. A number of sheets of this paper are bound together, forming volumes of 500 or 1,000 leaves, quarto size usually, each leaf being numbered consecutively in the right hand upper corner. The books are labelled on the back "Letters," "Invoices," &c., according to the purpose for which they are required. Sometimes copies are taken on separate sheets of copying paper instead of in books. These separate sheets are called "loose sheets."

The other materials required for press-copying are a water well and damping brush, drying sheets, and oil sheets.

The Water Well holds the water in which the *damping brush* is dipped. The best kind is one that can be hung on the wall near the copying press. The best kind of "brush" is one with a piece of felt or indiarubber instead of bristles or hair.

Drying Sheets are pieces of absorbent paper similar to white blotting paper, rather larger than a leaf of the copying book.

Oil Sheets are pieces of tough paper, specially prepared so as to be impervious to moisture. They are usually a brownish-yellow in colour, and are of about the same size as the drying sheets.

Documents requiring to be press-copied must be written with a special kind of ink, called *copying ink*. There are three kinds of ink chiefly used in offices, viz., copying ink, office or black ink, and

red ink. *Copying ink* is used only for letters and other documents requiring to be press-copied. It must not be used for any other purpose, especially for writing in books, as it is apt to smear. *Office (black) ink* is used for writing in books, and for documents which do not need to be press-copied. *Red ink* is used chiefly for ruling and for corrections. Another kind of ink, viz., *combination ink*, is occasionally used. This may be used for both writing in books and copying, but it will not give so many copies as copying ink proper.

Press-copying is probably the first work a youth will have to do on entering an office. The operation itself is very simple; in fact, it is easier to perform than to describe. The process is as follows:—

1. Open the copying book, right way up, and turn to the first blank leaf.
2. Lay under this blank leaf a drying sheet.*
3. Take the damping brush out of the water, and, holding it with the flat side downwards, run it along the paper, near the binding, from bottom to top, then across from left to right, until the whole page is wet.
4. Lay an oil sheet upon the wet page.
5. Close the book, place it in the press, apply pressure for a moment, and remove. (After a little practice, simple pressure of the hand on a drying sheet placed upon the wet page will suffice to dry the paper, without placing the book in the press.)
6. Open the book where the drying sheet is inserted. Take out the drying sheet and put the letter in its place, face upwards. (If the letter is written on *octavo* sized paper, the heading must be placed near the binding of the book. Only the lower half of the page is used for a single letter of one page only. Another one-paged letter may be copied on the other half of the sheet).
7. Bring the damp page over on to the writing (taking care to keep it quite flat), with the oil sheet on top, and close the book.
8. Place the book in the press, give it a squeeze, and withdraw. When opened a *fac-simile* of the letter will be found on the damp page.
9. Insert an oil sheet on each side of the damp page, and close the book. Or the book may be left open, so as to allow the copy to dry, when the oil sheets are unnecessary.

* Sometimes the reverse of this process is adopted, viz., placing an oil sheet on the opposite (left hand) page, turning over on to it the page required to be damped, damping it, then placing a drying sheet on top and closing the book. This plan, however, is not recommended, especially for beginners, as it frequently results in the damp sheet being torn out of the book, owing to the strain on the paper near the binding, caused by the insertion of the oil sheet on that side of the book, and the adhesion of the wet paper to the oil sheet.

Any number of letters up to say ten may be copied at one operation by thoroughly wetting the whole number of pages required, first on the face, then on the back, inserting drying sheets and oil sheets as described above, and giving a *good* squeeze in the press. In performing this operation the right hand top corner of the copying paper should be left dry, to facilitate separating the sheets when inserting the letters—one to each leaf.

Sometimes two, three, or even as many as six copies of one letter are required. In this case the method is similar to that described in the preceding paragraph, except that the sheets are placed upon the letter in a block, and that they must be allowed to remain in the press for a longer or shorter time according to the number of copies required. (Five minutes is not too long for six copies.) When taking four, five or six copies in this way it is advisable to place the damp drying sheets on top of the copying paper (with an oil sheet on top of all), so as to keep the outer sheets damp until the ink has worked through.

Care must be taken that the copying paper is neither too wet nor too dry. In the former case the ink will run and blur, rendering both copy and original illegible; in the latter case the copy will be faint, indeed some portion of the letter will probably not be copied at all.

Type-written Matter.—The press-copying of type-written matter is rather more difficult than that of ordinary written matter. A good *thin* tissue paper, either white or yellow, should be used. The water well and brush should be discarded in favour of *linen* or *rubber damping sheets*. These should be slightly saturated, not sodden, in a zinc tray kept for the purpose, and one of them should be placed upon each tissue sheet on which a letter is to be copied, the letter having been previously inserted and backed with an oil sheet. As many as 30 letters may then be copied at the same time. The book should be squeezed as tightly as possible in the press, and should remain in at least *two* minutes, the longer the better. With an old ribbon, at least *four* minutes should be allowed. Excellent letter book copies will then result. This system of copying is also applicable to ordinary written letters.

There are several other methods of press-copying (such as by means of the Shannon Rapid Roller Copier, &c.), but those described above are the most common.

If a page in the copying book be spoiled, it should not be torn out, but should have the word "Cancelled" written across in blue or red pencil. In a Court of Law very little, if any, regard would be paid to a mutilated letter book if put in as evidence.

With large firms, having several departments, it is sometimes found desirable to provide each department with a "Letter Book," that its letters may be copied together, to facilitate reference and expedition of work.

Correspondence clerks are told off to take down the letters of the various departments, and separate "filing baskets" are provided in which the letters of each department are placed, as written. Before each post is made up, these baskets of letters are taken to the head of the firm or to the managers of the respective departments, as arranged, for signature. The baskets are returned to the clerks, after the letters have been signed, to be copied and made up for the post.

Carbon Copies are sometimes made of all replies to letters. These are attached to and filed with the original letters, and take the place of the copying book.

Letter-Sorting Rack.—In order to facilitate the making up of letters for the post and to obviate, as far as practicable, the possibility of error and the omission of enclosures, the letters, after being press-copied, are sometimes distributed in a letter-sorting rack, similar to the pigeon holes used for filing away letters. The pigeon holes in this rack are each appropriated and labelled for the receipt of a certain class of document, such as, say (1) letters to a particular person, (2) letters to persons whose names commence with a particular letter, or (3) to receive a particular kind of enclosure.

As far as practicable, letters should be placed in their respective envelopes and addressed as soon as they are copied. Leaving the making-up of letters until post-time, so that they may all be made up together, is a frequent cause of mistakes, such as omission of enclosures, letters put into wrong envelopes, and so on.

CHAPTER II.

INDEXING.

The letters written by a firm are copied in the letter book in consecutive order according to date; thus all letters written on the 3rd October will be found together, those written on the 4th October will follow, and so on day by day. If we know the *date* on which a particular letter was written, it can readily be found by turning up the letters written on that date. If, however, we do not know the date, but only the name of the person to whom the letter was written, we refer to the "Index."

At the beginning or end of every copying book will be found a number of pages of ordinary writing paper, each bearing a letter of the alphabet. These pages, taken together, form what is called the *Index*, this word being derived from a Latin word signifying a pointer.

A convenient form of index is that known as the *Extension Index*. This is at the end of the book, and, when opened, extends beyond the book itself, thus giving the same facilities for indexing as a loose index, with the advantage that, as it is permanently attached to the book, it cannot be misplaced, as is often the case with a loose index.

Many other books used in offices are provided with Indexes, but the method of indexing the letter book, now described, is applicable to nearly all Indexes.

Every letter copied in the letter book bears either at the head or at the foot the name of the person or firm to whom it is addressed. Each of these letters is indexed under that letter of the alphabet which commences the surname or other *distinctive name* of the person, firm, &c., to whom the letter is addressed. For example, a letter on page 24, addressed to "William Smith, Esq.," would appear on the "S" page of the index thus:—

Smith, William 24.

A letter addressed "John Jones, Esq., Manager, Barnsley Banking Co. Ltd.," would be indexed on the "B" page thus:—

Barnsley Banking Co. Ltd. 37,

while a letter to "Messrs. John Stevens & Co.," would be indexed on the "S" page thus:—

Stevens, John & Co. 72,

and so on, the surname or distinctive name being always placed first, so as to catch the eye when running down the list of names on the page. Sometimes the *dates* of the letters are inserted in the index.

The complimentary abbreviations, "Mr.," "Esq.," "Messrs.," &c., are never inserted in the index, but it is usual to add the prefixes "Miss," "Mrs.," "Sir," "Lord," &c.

If more than one letter is addressed to the same person the name should not be repeated in the index, but the numbers of the pages on which the second and succeeding letters are copied should follow consecutively on the same line. Thus, supposing you had indexed a letter to William Smith, copied on page 24, and you afterwards found further letters to that gentleman on pages 39, 53, 78, and 92, you would index them thus :—

Smith, William 24, 39, 53, 78, 92.

Supposing that the letters on the first twelve pages of the letter book are addressed respectively :—

Page	1.	<i>Messrs. Johnson, Smith & Co., Birmingham.</i>
"	2.	<i>William Bailey, Esq., Leeds.</i>
"	3.	<i>Messrs. Isherwood & Jones, London.</i>
"	4.	<i>The Manager, Leeds Banking Co., Leeds.</i>
"	5.	<i>Wm. S. Brown, Esq., Manchester.</i>
"	6.	<i>Messrs. Wilson, Steel & Co., Glasgow.</i>
"	7.	<i>William Bailey, Esq., Leeds.</i>
"	8.	<i>Messrs. Williamson Bros., Halifax.</i>
"	9.	<i>Messrs. Johnson, Smith & Co., Birmingham.</i>
"	10.	<i>Messrs. Samuel Latham, Limited, Barnsley.</i>
"	11.	<i>Wm. Bailey, Esq., Leeds.</i>
"	12.	<i>Messrs. Wilson, Steel & Co., Glasgow.</i>

they would be indexed as follows :—

Index page	B	<i>Bailey, William</i>	...	...	2, 7, 11.
"	"	<i>Brown, W. S.</i>	...	...	5.
"	"	<i>I</i>	<i>Isherwood & Jones</i>	...	3.
"	"	<i>J</i>	<i>Johnson, Smith & Co.</i>	...	1, 9.
"	"	<i>L</i>	<i>Leeds Banking Co.</i>	...	4.
"	"	"	<i>Latham, Saml., Limited</i>	...	10.
"	"	<i>W</i>	<i>Wilson, Steel & Co.</i>	...	6, 12.
"	"	"	<i>Williamson Bros.</i>	...	8.

It is advisable to leave a blank line between one name and another on the same page of the index, so that if there are many letters to the same person the second line may be made use of for the numbers, instead of re-writing the name lower down. Should the blank line prove not to be required, another name can always be written on it if necessary.

The Vowel Index.—This is a form of index used when a large number of names, subjects, &c., have to be indexed. The principle is the same as that of the index already described, the only difference being that each initial letter is followed by one of the vowels *a, e, i, o, u*. Five leaves of the index are thus devoted to each initial letter, the letter *B*, for example, being subdivided into *Ba, Be, Bi, Bo, and Bu*. A letter to Bayley Bros., would be indexed under *Ba*; one to John Beanland, under *Be*; to William Binns & Co., under *Bi*; to Booth Johnson & Co., under *Bo*; to Robert Burns under *Bu*; and so on with each letter of the alphabet.

Sometimes five columns, headed *a, e, i, o, u*, respectively, are ruled on the page lettered say *B*, and made to serve the purpose of a "vowel index," the names being then entered in separate columns instead of on separate pages.

The Card Index.—This is an index used largely in public libraries and other institutions. It consists of a number of movable cards, arranged between cards with small projecting labels bearing a letter of the alphabet, or two letters as in the vowel index. The cards are placed upright, arranged consecutively from *A* to *Z*, in a receptacle having the appearance of a long, narrow, open drawer. The matter requiring to be indexed (such as the titles of books, names of authors, names and addresses of firms, &c.) is written on separate cards which bear no labels, these cards being then inserted in their proper places between the cards bearing labels. Sometimes a brass rod, running through a hole in the centre of each card, is used to prevent the cards from becoming displaced or being easily removed.

The Cross-Reference or Page Index.—This is a method of enabling us to find the immediately preceding or the immediately succeeding letter to the same person or firm without referring to the index. It is a very simple matter, but it is extremely convenient.

Take the foregoing example of a letter to William Bailey, copied on page 7 of the letter book. The cross-reference would appear on the right hand top corner of that page thus, $\frac{2}{11}$, signifying that the last letter to William Bailey is copied on page 2, and the following letter on page 11. If there were no previous letter, the figure 0 would be inserted as shown below. Supposing there were further letters to that gentleman on pages 23, 45, 68, 73, 91, 107, 128, and 152, the cross-references would appear as follows:—

On page	7	11	23	45	68	73	91	107	128	152
Cross-reference	0	7	11	23	45	68	73	91	107	128
	11	23	45	68	73	91	107	128	152	

The cross-reference on page 152 would be left incomplete until another letter to the same person had been copied, when the blank would be filled in.

When beginning a new book the number of the page on which the last letter to the same person was copied in the former book would be given; thus, if the last letter to William Bailey was on page 498 of the old book, the cross-reference on page 2 would be $\frac{498}{7}$. In the old book, the page of the new book would be given on page 498, thus $\frac{475}{2}$.

The cross-reference is usually written in blue pencil, in bold figures. It is sometimes placed at the foot, sometimes at the head, of the page, and sometimes in the corner, as mentioned above.

CHAPTER III.

MAKING-UP LETTERS FOR POST.

FOLDING.

Every letter ought to be neatly folded and properly placed in the envelope. This is a very simple operation, yet it is often performed in a slovenly manner.

The method of folding depends upon the size of the paper and the size of the envelope. The following diagrams show the proper way of folding a letter for insertion into the usual commercial envelope ($5\frac{1}{2}" \times 3\frac{1}{4}"$):—

Octavo-sized paper.

($8" \times 5\frac{1}{8}"$)

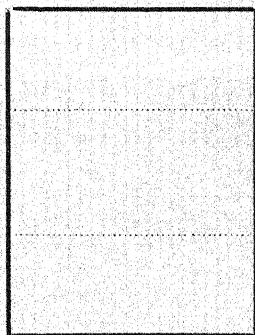


Fig. 1.

Fig. 1 shows the sheet of paper as written upon. The dotted lines show where the folds should be made. The inner fold is made rather larger than the outer ones, to facilitate unfolding.

For *quarto-sized paper* ($10\frac{1}{4}" \times 8"$) the sheet is folded in half, right across, which reduces it to octavo. It is then again folded as described above.

For *foolscap sized paper* ($13" \times 8"$) a foolscap envelope is generally used. Where that is not available, however, the sheet may be folded so as to fit a small envelope by doubling it across twice, reducing it to octavo size, and then folding again as described above, and as shown in the following example :—

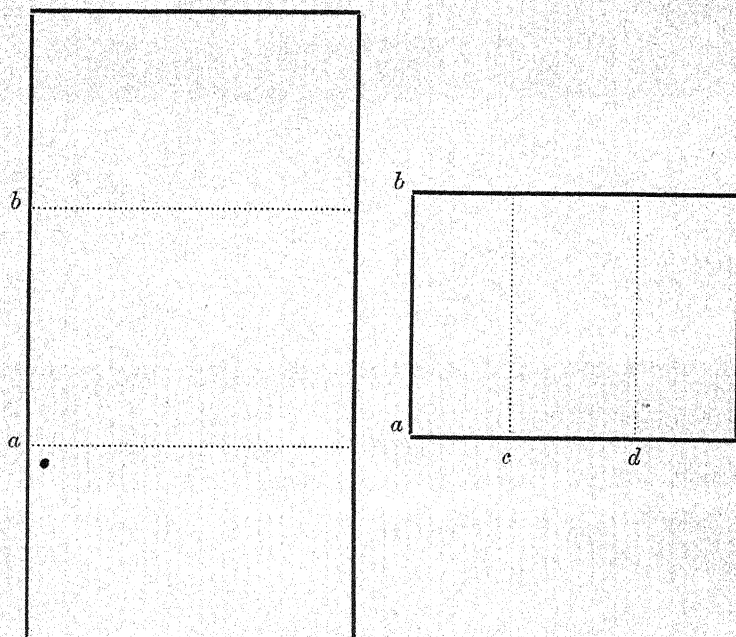


Fig. 2.

a b represent the first and second folds, *c d* the third and fourth.

A paper knife or a thin slip of wood is sometimes used in making the folds. The quickest and readiest way, however, is by making use of the thumb nail of the right hand.

Paper Fasteners, &c.—When a letter extends over two or more single sheets of paper, the sheets are generally fastened together by means of small paper-fasteners or staples. Paper-fasteners are simply pushed through a hole made by a pen-knife or other instrument. The neatest and most expeditious method of fastening papers together is the stapling machine, of which there are several kinds, the principle of each being the same—viz., inserting the staple and fixing it at one operation. In legal offices and Government Departments holes are punched in the top left-hand corners of the sheets of paper and a cord passed through them and fastened, the object being to allow of the sheets being turned completely over.

ADDRESSING ENVELOPES.

The address to be written on the envelope will usually be found at the head or at the foot of the letter itself. Sometimes, however, only the name of the person to whom the letter is addressed is given, with perhaps the addition of the town. In this case, the full address, if necessary, is taken from the *Address Book*—a book similar to an Index, in which the address of every firm written to ought to be entered, as well as their registered telegraphic address.

In addressing an envelope the name should be commenced towards the left hand side, nearly half-way down. The first line contains the name only, and the succeeding lines the other portions of the address, the second, third, and fourth lines each beginning a little to the right of the preceding one. In most cases three lines will suffice for the address. The name of the town should be underlined.

The following examples show the proper mode of addressing envelopes :—

1. *Messrs. Watson & Co.,*
 27, Bolton Road,
 MANCHESTER.
2. *George Smith, Esq.,*
 The Oaks,
 NEWQUAY,
 Cornwall.
3. *M.M. Pierre Delmas et Fils,* (singular, *M.*)
 Rue des Italiens, 3,
 BRIVE,
 Corrèze,
 France.
4. *Herrn Gustav Molfenter,* (plural, *Herren*)
 Feuerbach,
 STUTTGART,
 Germany.

For *Foreign Letters* thinner paper should be used and the envelopes should be of a different colour from those used for home correspondence. For instance, if the ordinary envelopes are white, those for foreign correspondence should be a decided grey or blue, so as to be readily distinguished, and thus assist the postal clerks.

In an office there are usually several letters to be despatched at the same time. As each envelope is addressed, the letter for which it is intended should be at once inserted. This will prevent letters being put into wrong envelopes, as sometimes happens when all the envelopes are addressed first and the letters inserted afterwards.

Enclosures.—Very frequently there are certain documents (Invoice, Receipt, Postal Order, Cheque, Draft, &c.) to be enclosed with the letter. This is generally indicated in the left hand upper corner of the letter by the abbreviation *Inv.*, *Rect.*, *P.O.*, *Chq.*, or *Dft.*, as the case may be. Sometimes the only indication is the abbreviation “*Encl.*” (enclosure), 1 *encl.* (one enclosure), 2 *encl.* (two enclosures), &c., in which case the person making up the letter (a junior clerk generally) will have to glance through it to ascertain the nature of the enclosure referred to. It is most important to see that all the documents referred to in a letter as enclosures are really enclosed. Any omission is very annoying to the recipient of the letter, and in case of letters going a long distance (say to India or South America) might cause serious loss.

In “*Official Letters*” the number and character of each enclosure is clearly indicated in the margin of the letter by an oblique line drawn opposite the words mentioning the enclosure, thus:—

Form 26.

Estimate
£2,600

Report 685.

AFFIXING POSTAGE STAMPS.

The next step is to weigh the letter on the letter scale and affix the postage stamp, near (but not quite close to) the edges of the right hand upper corner of the envelope. Care must be taken to properly stamp the letter, otherwise the addressee will be charged with double the deficiency.

When there are a number of letters to be stamped at the same time, the best way is to tear the sheet of postage stamps from left to right into strips of a dozen stamps each, wet them on a damper, and

place the stamps one after the other on the envelopes until the strip is exhausted. This will be found to be a much quicker and easier method than that of separating each stamp and using it singly. Ingenious machines for affixing stamps have been invented, but they do not work well in practice.

In certain large towns the postage on *inland* letters, circulars, post cards, and parcels may be prepaid in money, provided the amount paid be in no case less than £1.

(For perforation of stamps, see page 156.)

Inland Letters.—The prepaid rate of postage for inland letters is as follows :—

Not exceeding 4 oz. in weight	...	...	1d.
" " 6 "	...	...	1½d.
" " 8 "	...	...	2d.
" " 10 "	...	...	2½d.

and ½d. for every additional 2 oz. or fraction thereof.

Foreign Letters.—The rate of postage to be paid in the United Kingdom on letters for all places abroad is :—

Not exceeding ½ oz.	...	...	2½d.
" " 1 "	...	...	5d.
" " 1½ "	...	...	7½d.

and 2½d. for every additional half ounce or fraction thereof.

An inland or foreign letter posted unpaid is chargeable on delivery with double postage ; if insufficiently paid, with double the deficiency. (See page 140.)

LATE-FEE LETTERS.

The hours when mails are made up for any particular inland town or foreign country may be found in the Local Postal Guide, or, in small places, on application at the post office.

Letters should, if possible, be posted by the time indicated. To provide for unavoidable delay, however, the post offices in all large towns allow letters to be posted within a certain period after the ordinary time, provided an extra fee in the shape of a half-penny postage stamp be affixed.

Late-fee letters should not, however, be dropped into the ordinary letter-box, but should be placed in the receptacle specially provided for such letters. This, except in London and a few other

large places, is usually found inside the post office. The letter must be fully prepaid, with the ordinary postage in addition to the late fee, otherwise it will not be forwarded until the next mail.

In several large towns a special letter-box for late letters is provided at the railway station, where letters may be posted up to within a few minutes of the departure of the mail train. Letter-boxes are also affixed to all mail trains to which travelling post offices or sorting carriages are attached, and letters may be posted in these boxes up to the time of departure of the train.

REGISTRATION AND INSURANCE OF LETTERS, &c.

Sometimes a letter is required to be "Registered." If so, this will be indicated at the left-hand upper corner of the letter by the word "Registered," written in full or abbreviated "Regd."

When any important documents, such as deeds or a number of cheques, bills, money orders, &c., are enclosed in a letter, the packet should be registered.

Registration practically ensures a letter being delivered to the addressee, the loss of a registered packet being of rare occurrence, owing to the precautions taken with respect to such packets; therefore, when it is desired to make certain that an ordinary letter shall be delivered to the person to whom it is addressed, it is usual to register it.

The ordinary registration fee for each inland letter, parcel, or other postal packet, is 2d., in addition to the ordinary postage.

The registration fee of 2d. includes insurance up to £5, an extra 1d. (3d.) insures up to £10, another 1d. (4d.) up to £15, and so at the rate of 1d. for each additional £5 until the maximum of £50 is reached. (£2 is the maximum compensation payable for a packet containing coin, whatever amount of coin the letter may have contained).

The post office will not insure for more than £50, but larger amounts may be insured with the ordinary insurance companies. These companies insure packets of diamonds and jewellery sent by registered post up to very large amounts, and at a very low rate.

If a registered packet be lost (which, however, is very unusual, as already mentioned), the post office will not refund the whole

amount insured if that amount exceed the value of the article lost—they will only refund the value of the article, and the Postmaster General reserves the right not even to give money compensation, but to replace the article. In any case, compensation is given as an act of grace, and not in consequence of any legal liability.

The principal rules to be observed with regard to a registered packet are :—

1. That it must not be dropped into the letter box, but must be handed to a clerk in the post office, and a receipt obtained for it. (If, however, a letter marked "Registered" be dropped into a letter box, it will be forwarded if directed to any place in the United Kingdom, but will be liable to a registration fee of 4d., in addition to the ordinary postage).
2. That registered letters containing coin, bank notes, bills, cheques, &c., must be enclosed in one of the "registered envelopes" provided by the post office. In other cases the use of these envelopes is optional.

Letters intended to be registered should, as a rule, be handed in at least half-an-hour before the closing of the mail by which it is desired they should be despatched, and when several packets are sent by the same firm for registration they should be accompanied by a list in duplicate of the addresses; one list to be retained at the post office and the other, when signed, to be returned to the bearer.

The receipt given by the post office should be carefully preserved, for in case of loss this receipt must be produced. Application for compensation for the loss of a registered packet must be made on a special form to be obtained at any post office, and must be sent in within seven days after the date on which the packet was posted.

An acknowledgment of delivery may be obtained, if desired, on paying an additional fee of 2d. and filling up a special form.

For foreign letters the registration fee is also 2d. The rules are much the same as for inland registered packets.

Invoices, orders, circulars, newspapers, &c., may pass through the post office for a halfpenny, on certain conditions (see pages 141 to 147). For other postal matters such as express delivery, re-direction, &c., see pages 148 to 156.

CHAPTER IV.

THE POSTAGE BOOK.

When the letters, circulars, or other packets intended for the post have been properly addressed and stamped, they have to be entered in the *Postage Book* before being taken to the post office.

There are various kinds of postage books, each differing more or less in detail, but all serving the same purpose, viz., that of showing the dates on which the letters were posted and checking the expenditure on postages.

In all large concerns postage stamps are not bought each day as required, but are taken from the stock in hand, which is replenished from time to time by purchases of stamps of different kinds to the value of £1, £2, or more. This stock is usually in the charge of one of the junior clerks.

The amount received is frequently entered in the postage book in a column provided for the purpose on the left hand side of the book. The postages entered on the right hand side are totalled at the bottom of each page, and the difference between the totals of the two columns should equal the value of the postage stamps in stock.

The following is a common form of *Postage Book* :—

Received.			Date.	Name and Address.	Time when Posted.	Posted by.	Postage.		
£	s.	d.	1897.				£	s.	d.
1	0	0	Aug. 4	Monson & Co., London	6.30 p.m.	J. W.	-	-	1½
			" 5	Hardwick & Co., Leeds	10.30 a.m.	"	-	-	1
			" "	Sampson & Brown, Manchr.	"	"	-	-	2
			" "	U.S. Consul, Leeds	"	"	-	-	3
			" "	Armitage Bros., Bristol	6.30 p.m.	"	-	-	1
			" 6	Meyer & Co., Frankfort	1.0 p.m.	W. B.	-	-	2½
			" "	Perot & Cie, Paris	"	"	-	-	5
			" "	R. Campbell, London	6.30 p.m.	J. W.	-	-	1
			" "	Cox & Co., Bradford	"	"	-	-	1
			" "	W. Jones & Son, Manchester	"	"	Reg.	-	3

Some firms require the full address (*i.e.*, the exact address on the envelope) to be entered in the postage book, in order that if a letter miscarries it may be ascertained whether it was properly addressed.

The clerk who actually posts the letters should sign or initial the postage book. The postage book and the stamps in stock should be checked periodically by another clerk.

There is another form of postage book in use in some offices. In this a sheet of postage stamps is inserted, being fastened at the margin, and as each stamp is used the address of the letter, &c., is written in a space provided for the purpose, the sheet of paper being ruled in squares the exact size of the stamp.

THE PETTY CASH BOOK.

For the sake of convenience, a record of all small payments and disbursements is kept in a "Petty Cash Book," separate from the "Cash Book" proper, and a junior member of the office staff is generally appointed *Petty Cashier* to undertake this duty and responsibility.

The petty cashier is started with an advance of £5, £10, or more, according to what the cashier, who advances the money, deems to be sufficient to meet the expenditure for the week, fortnight, or month; and out of this sum he makes all payments for postages, parcels, minor office expenses, advertisements, &c.

At the end of the periods fixed upon, the petty cashier hands to the cashier a summary of his payments, and, after the petty cash book has been examined and found correct, receives a cheque or cash for the required amount, thus, bringing the amount in hand up to the amount of the original advance.

The petty cash book should be balanced frequently to see that the "cash in hand" agrees with the balance shown by the book; and the various payments should be analysed periodically. The method of analysis may be either by means of different columns in the petty cash book, or by a summary prepared on loose dissecting sheets and afterwards entered in the book, which ever may be found most convenient.

The following is a common form of petty cash book, to which additional columns, to provide for other heads of expenditure, could easily be added, if considered necessary or desirable:—

PETTY CASH BOOK.

For the (week) ending.....189 .

Dr.				Cr.					
Date.	Particulars.	C. B. Fo.	Amount received	Date.	Particulars.	Voucher No.	Amount Paid.	Office Exps.	Post-ages.
1897. July 26	To Cash..	20	£ s. d. 10 0 0	1897. July 27	By Date stamp ..	26	£ s. d. - 3 6	£ s. d. - 3 6	£ s. d. - - -
					„ Ball of string ..	27	- - 6	- - 6	- - -
					„ Telegram ..	28	- - 8	- - -	- 8
					„ Postage stamps	29	1 10 -	- - -	1 10 -
					„ Carriage of parcel ..	30	- - 9	- - 9	- - -

The following is another form of petty cash book in general use. The payments are summarised in the left-hand columns:—

PETTY CASH BOOK.

For the (week) ending.....189 .

Dr.				Cr.					
Date.	Particulars.	C. B. Fo.	Amount received	Date.	Particulars.	Voucher No.	Amount paid.		
1897. July 26	To Cash..	20	£ s. d. 10 - -	1897. July 27	By Date stamp ..	26	£	s.	d.
					„ Telegram ..	28	-	-	8
					„ Postage stamps ..	29	1	10	-
					„ Carriage of parcel ..	30	-	-	9
				28	„ Ink and paper ..	31	1	7	6
					„ Telegrams ..	32	-	3	8
				30	„ Cablegram ..	32	-	4	6
					„ Gratuity ..	34	-	-	6
				31	„ Window-cleaning ..	35	-	2	6
					„ Sweeping brush ..	36	-	1	6
					„ Caretaker's wages ..	37	-	18	-
					„ Carriage of goods ..	38	-	16	8
					„ Letter book ..	39	-	6	-
					„ Balance ..		4	3	9
							10	-	-
Aug. 3	To Balance ..		4 3 9						

SUMMARY:—

Postage ..	1 10 -
Telegrams ..	- 8 10
Stationery ..	1 13 6
Wages ..	- 18 -
Carriage ..	- 17 5
Trade expenses ..	- 8 6
	5 16 3
Balance ..	4 3 9
	10 - -
	4 3 9

CHAPTER V.

INCOMING LETTERS AND DOCUMENTS.

We have so far dealt with outgoing correspondence only. We have now to consider what is done with *incoming* correspondence.

LETTER AND TELEGRAM REGISTER.

In some offices a systematic record is kept of all incoming correspondence and telegrams of importance by means of a "Letter and Telegram Register." Letters as soon as opened are numbered consecutively by hand or machine, and stamped with the date. The essence of each letter is then written up in the register.

One advantage of the letter and telegram register is that it enables one who has been away from business for some time to become acquainted with the correspondence received, and, taken in conjunction with the letter book, with the business transacted during his absence.

The following is a specimen of such a register :—

LETTER AND TELEGRAM REGISTER.

For the month of 189 .

No. of Letter.	From	Subject.	How disposed of.	Remarks.
1271	J. Smith ...	Order for Hats ...	Handed to J. W.	Executed.
2	Sharpe & Co.	Complaint that Goods are damaged.		

FILING LETTERS.

After the letters received have been replied to or otherwise dealt with, they have to be placed in certain receptacles, or "filed," as it is called, for preservation, and so as to be handy for reference when required.

There are two methods of "filing" letters, viz., actual "filing" (*i.e.*, placing in a file), and "pigeon-holing."

Filing is the simpler method and is very common. There are many varieties of files, but the principle of each is practically the same. The object is to enable letters, invoices, &c., to be placed one after the other in order of date as received; the documents being held in the file by means of spikes and other devices. The file thus forms a volume of *documents received*. When full, the contents may be removed, if required, for the purpose of being bound or placed in a "binding case."

When letters from different firms are placed in the same file, each letter is numbered consecutively, and is indexed and cross-referenced like the letter book. With some files, however, such for instance as the Shannon, Alpha, &c., a movable alphabetical index is provided; the letters, &c., are then placed in alphabetical order, a general index being thus unnecessary. (For a description of the various kinds of files, see page 25).

Pigeon-Holing is the older method of the two, and is probably still the most common method of "filing" letters.

Pigeon-holes are a number of oblong compartments (usually twenty-four in number), in a wooden frame, and are so called from their supposed resemblance to a dove-cot or pigeon-house. The first twenty-three compartments are each lettered with one of the letters of the alphabet from A to W. The twenty-fourth generally bears the letters X, Y, Z.

The letters are folded lengthwise, of a size suitable to the openings, and are placed in the pigeon-holes according to the initials of the distinctive names of the writers. Thus, letters from Stephenson Bros., or William Smith & Co., would be placed in the S pigeon-hole; those from William Denby & Sons, or the manager of the Dewsbury Banking Company, or John Dawson, in D; and so on, exactly as they would be indexed.

The letters from each firm are kept in separate bundles, one letter on top of another, that last received being uppermost. These bundles are generally secured by a piece of string or red tape, or an india-rubber band; occasionally a strip of stout cardboard is used to keep the bundle flat. Sometimes the bundles are not fastened together at all, the letters being simply placed one inside the other, those last received being on the outside. Whichever method is adopted, however, care must be taken that the letters open from the right hand side.

The Docket.—When letters are placed in pigeon-holes it would be awkward, and would besides waste a considerable amount of time, to have to open each letter to find the name of the sender, or other information; therefore the letters are each folded a uniform size as far as possible, as described above, and the necessary particulars written on the back. This is called “docketing” the letters, and should always be done before they are placed in the pigeon-holes. When letters are placed in files the docket is unnecessary—the index takes its place.

The docket usually gives the following information :—

1. The year.
2. The name of the writer of the letter.
3. The date of the letter.

Sometimes there is added to this (4) a brief summary of the principal subjects referred to in the letter. In addition to these particulars, a note is frequently made of (5) the date the letter was received, and (6) the date on which it was answered. This is frequently done by the persons by whom the letters are opened and answered.

The following diagrams show the three modes of docketing above mentioned :—

1897.	1897.	1897.
<i>Brown, Johnson & Co., Liverpool, 27 Jan.</i>	<i>Brown, Johnson & Co., Liverpool, 27 Jan.</i>	<i>Brown, Johnson & Co., Liverpool, 27 Jan.</i>
	—	—
	<i>Remitting £72 6s. 4d. Ordering 50 pes. Serge.</i>	<i>Remitting £72 6s. 4d. Ordering 50 pes. Serge.</i>
		—
		<i>R. 28/1/97. A. " "</i>

When docketed, the letters are placed in the pigeon-holes as already mentioned, docket end first.

Where a "Letter and Telegram Register" is used, the letters are often pigeon-holed by months, the docket being simply the number in the register and the year. For example, $\frac{682}{1897}$.

The methods of filing and copying already explained are used chiefly for the *general* letters received and despatched by a firm. Letters addressed to an agent or other person with whom the correspondence is frequent are usually copied in a separate volume, and the letters received are likewise kept in a file to themselves. Some firms, on the other hand, copy all letters on loose sheets. These copies are placed in the file immediately after the letters to which they are replies, thus forming a record in the same book of the letters received and the replies thereto.

Files.—Letter-files may be divided into four classes, viz., (1) the clip, of which there are many kinds; (2) the box-file, such as Stone's patents; (3) the needle or spike-file, of various kinds; and (4) the arch-file, such as the Shannon, Alpha, &c. Of these, the last-named kind is probably the most popular. For files of the Shannon, Alpha, &c., type a *file-punch* must be used to make the holes through which the holders pass. These punches are generally affixed to the file, but they may be obtained separately.

Other kinds of files are the screw, the bill-file (a spike), and the "bill-hook" (a hooked-spike). These are used for memoranda and other unimportant documents which need be kept for a short time only.

(For private letter boxes and bags, see page 157.)

CHAPTER VI.

THE TELEPHONE.

The telephone is an instrument designed to reproduce sounds at a distance by means of electricity. The word "telephone" is now usually applied to the complete instrument, comprising the transmitter, the receiver, and the various subsidiary appliances.

The telephone is installed in one or more parts of a building, or in different buildings in a town; and one town is connected with another by means of trunk lines.

The whole of the telephone lines were formerly in the hands of private companies; then the question was much debated as to whether the Government should not acquire the telephone system. The most favoured solution of the problem arrived at was that the Government should take over the trunk lines from town to town, leaving the telephone companies to do intra-urban and other local work, and this was done in the year 1895.

Two forms of telephone are met with in offices, viz., the wall instrument, and the table instrument; there are various types of each, but the method of using the instrument is similar in all cases, and is very quickly learned. The table instrument, with "head-gear" attached, enables the operator to receive messages while his hands are left free for writing.

The telephone in the office is sometimes connected with a number of other telephones which have been installed in different parts of the premises, in order to facilitate communication between the office and the firm's various departments, and also between the departments themselves. By means of a switch-board in the office the departments may be connected with one another. A merchant sitting in his office may thus communicate (1) with his various departments (2) with other firms in his own town, and (3) with subscribers in other towns who are connected with the trunk lines. In the last-named case an extra fee must be paid, varying with the distance telephoned over, for each conversation not exceeding three minutes.

A non-subscriber to the Telephone Company may telephone to a subscriber by going to one of the "Call Offices" belonging to the

Company, and paying a small fee. Subscribers may also make use of these "Call Offices," provided they possess a subscriber's "pass," for which 5/- has to be paid, in addition to the ordinary subscription.

The method of procedure is this:—Supposing the telephone number of the firm to whom you wish to speak is 680, you ring up the "central office" with which all telephones are connected, and call out the number 680, meaning that you wish to be placed in communication with that number—*voilà tout*. In some cases both numbers have to be given, thus "520 on 680," and the reply comes "alright 520." The Telephone Directory gives the names and telephone numbers of all firms possessing telephones, *i.e.*, subscribers to the Telephone Company.

If special forms are not provided on which to record all messages received in the office either by word of mouth or by telephone, care should be taken to make a note of the message as soon as received or sent, also to deliver it as quickly as possible; and, should the manager be out, to leave the written message in a prominent position on his desk or in his chair. The non-delivery of messages causes trouble and annoyance, and may lead to serious loss.

To provide for the systematic receipt and despatch of messages by telephone, a clerk is generally told off for this duty, and provided with special "telephone message forms" on which to write them. The following is an example of a "Telephone Message Form":—

TELEPHONE MESSAGE.

No. 2342.Time, 10.45 a.m.Date, 1st Oct., 1897.From Us.To Hardrick & Co.

Enquiry.

If we send three cases off to-day will they be in time for the "Carthage."

Reply.

Yes; she sails to-morrow evening.

Sent by J. S.Received by J. S.Seen, W. G.

(Manager).

PURCHASES AND SALES.

A *Sale* is a transaction by which the ownership of property is transferred from one person to another for a monetary consideration, called the "price." When the sale is made for delivery of the goods at some future time, this is called a *contract*.

A sale may be made either in writing or by word of mouth, or partly in writing and partly by word of mouth, but a contract for the sale of goods of the value of £10 or upwards is not enforceable by action unless (1) the goods or part of them have been accepted and received, or (2) the price or part of it has been paid, or (3) there is a note or memorandum of the contract made in writing and signed by both buyer and seller. It is not necessary, however, that both signatures be on one document. A series of letters exchanged between the parties would be sufficient to constitute a contract, provided that the articles sold are defined therein, and that the terms on which they are bought and sold are clearly expressed.

The essential points in a contract or sale are (1) the article sold, (2) the price, (3) the terms of delivery, and (4) the terms of payment. The three points last named depend upon various conditions, but we defer entering into these until a later stage.

The principal documents used in ordinary commercial sales are:—

1. Price Lists.
2. Price Currents.
3. Firm Offers or Tenders.
4. Orders.
5. Contract Notes (or Bought and Sold Notes).^{*}
6. Delivery Orders.
7. Invoices.
8. Debit Notes and Credit Notes.
9. Statements.
10. Receipts.

A *Price List* is a statement issued by a manufacturer, merchant, or dealer, containing particulars of goods he is prepared to sell and the prices which he is willing to accept. There is, of course, an infinite variety of these documents, but the following specimen will be sufficient to explain their nature.

PRICE LIST.
From WEBSTER, PARKER & CO.,
CHEMICAL & COLOUR MANUFACTURERS,

MANCHESTER.

Terms: 2½ % one month.

<i>Chemicals.</i>	Price.	<i>Colours.</i>	Price.
Spirits Salts	3/9 bot.	Picric Acid	-/10 lb.
D.O. Vitriol	4/6 cwt.	Bismarck Brown, No. 1	1/4 „
Nitrate Iron	2/6 „	„ „ „ 2	1/2 „
Special Iron	2/3 „	„ „ „ 3	-/10 „
Crystals	27/6 ton.	Chrysoidine, No. 1 ...	1/3 „
Copperas	35/- „	„ „ „ 2 ...	1/9 „
Palm Oil Soap	18/6 cwt.	Magenta Crystals ...	2/9 „
White Soap	23/6 „	„ Acid	2/3 „
		Scarlet	-/10 „
<i>Extracts.</i>		Acid Red	1/2 „
Logwood extract ...	50/-	Orange	-/9½ „
„ „	40/-	Yellow	-/10½ „
Fustic „	50/-	Blue	1/5 & 2/3 „
„ „	40/-	Green Crystals ...	2/- „
Indigo „	-/3½	Violet „	2/- „

A *Price Current* (or *Prices Current*) is a statement of the market prices of the day for particular kinds of goods, such as wool, cotton, tea, wheat, &c. It is usually issued with a *Market Report*, periodically (on market days generally), and does not necessarily imply that the person by whom it is issued is willing to sell at the prices named. Nearly all newspaper and trade journals contain these statements, and a specimen is here appended:—

THE TEA TRADE.

London, Thursday.—During the week 47,360 packages Indian, 20,194 packages Ceylon, and 707 packages Java have been offered at public auction. Indians: All grades except the finest are lower. Pekoes are nearly 1d. lower and common Souchongs are fully ½d. lower than last week. We quote:—

Dust (fair ordinary, dark liquor)...	3¾d.
Pekoe souchong (blackish, greyish, useful liquor) ...	6¾d.
Pekoe (blackish, greyish, inferior liquor) ...	8¼d.
Pekoe souchong (blackish, greyish, some tip, inferior liquor)	5d.
Pekoe (greyish to blackish, some tip, useful liquor) ...	5¾d.

Ceylons : All kinds continue very firm. Good liquoring teas, especially the fine Pekoes, are again dearer. The range of prices for the week is as follows:—

	Indian.	Ceylon.
Broken orange, &c. ...	6½d. to 2s. 4d. ...	6d. to 1s. 9½d.
Pekoe, &c. ...	5d. to 1s. 11d. ...	5d. to 1s. 0¾d.
Broken Pekoe ...	5½d. to 2s. 3d. ...	6d. to 1s. 5¾d.
Pekoe souchong ...	5d. to 1s. 0½d. ...	5d. to 0s. 8¾d.
Broken Pekoe souchong ...	5½d. to 1s. 0½d. ...	5d. to 0s. 7½d.

A *Tender* or *Estimate* is a written proposal to supply certain articles, or to carry out certain works, at certain prices and on certain terms, which are stated in the tender, thus:—

ESTIMATE.
Strictly Nett.
 Messrs. Blackwood & Galtby,

LEEDS, October 7th, 189 7.
 No. 27000.

Leeds.

DEAR SIRS,

In reply to your enquiry of the^{5th} inst., we have pleasure in handing you our estimate, and trust to be favoured with your esteemed order.

Yours truly,

ED. BROWN & Co.,

per H. Howard.

5,000 Machinery Catalogues, printed red and black, 144 pages, and 4 pages
 cover lithographed in 3 colours. Demy 4to. ... £100 0s. 0d.
 10,000 do. do. ... £160 0s. 0d.
 You to supply all wood blocks.

The above document is not usual in ordinary commercial transactions. Its place is taken by the "firm offer."

A *Firm Offer* means that the person making the offer binds himself to accept an order at the price and under the conditions stated, thus:—

"I offer firm for reply by 10 a.m. to-morrow, 200 bales
 "fine Broach Cotton, March-April shipment, steam
 "Liverpool, at 4½d.; terms as usual.

If such an offer were accepted by the time named, the person who made the offer could not withdraw from it.

A *Quotation* is a stated price at which a certain article is being sold or at which a person is prepared to sell. The following is an example :—

In reply to your letter of yesterday, our quotations to-day are :—

<i>Sperm Oil</i>	...	...	...	£29.
<i>Olive Oil</i>	...	...	...	£28.
<i>Palm Oil</i>	...	...	...	£23.
<i>Linseed Oil</i>	...	...	...	£15.

An *Order* is a request to supply a specified quantity of goods. An order may be contained in a letter, as in the following example :—

4, North Street,
HUTTON,

3rd Sept., 1897.

Messrs. RICHARDSON BROS.,

BRADFORD.

Dear Sirs,

Please forward the undermentioned goods at your earliest convenience, per rail, carriage paid :—

28 yards Blue Serge @ 2/9.

36 „ Black Diagonal Coating @ 5/6.

52 „ Black Italians @ 1/2.

as per patterns herewith.

Yours faithfully,

JOHN ROBERTS & CO.

HOW TO OPEN BUSINESS.

Business may be opened in writing, or by telegraph or telephone, or verbally. When in writing (except when a definite order is sent as above) the correspondence usually begins by the buyer asking the seller for a quotation, or by the seller offering the goods to the buyer. When a transaction is arranged by telegraph, or by telephone, or verbally, it is usually confirmed by the buyer sending an *Order Form* containing the necessary particulars. This, when signed or confirmed by the seller, becomes the contract. Each order is usually given on a printed form, which is signed by one of the partners or the manager of the department. These forms are frequently kept in book form, each page being numbered consecutively and perforated at one side so as to be easily torn out. A copy is kept either by means of a carbon copy in the order book,

or by a press copy in a special copying book. In some cases the order is made out in duplicate, one copy to be retained by the seller, the other to be returned, signed, to the buyer.

The order forms used by different firms differ more or less according to the classes of goods dealt in. This is a simple form of order:—

Telegrams:
"HERCULES, LONDON."

LONDON PRODUCE HOUSE,

No. 237.

BISHOPSGATE STREET,

LONDON, E.C., 27th Sept., 1897.

Messrs. Wilson, Green & Co.

Please supply as under, as soon as possible, and oblige,

Yours truly,

BROOK, WILLANS & CO.

5,000 Envelopes, A 2.

2 reams Foolscap, ruled.

$\frac{1}{2}$ ream Blotting Paper, pink.

2 reams "Excelsior" Typewriting paper.

2 dozen Stencil Sheets.

The following is a more elaborate form of order:—

Order No., 2154.	
From	To
WILLIAM STEPHENS & Co., 27, New Street, BRADFORD.	Messrs. Watkins & Co., Bradford.
All goods delivered after time specified will be at Seller's risk.	
Quality, A 355.	Figures.
	42 inches. 40 yards @ 15d. per yard.
	Small Medium Large
	40. 30. 30.
20 pieces assorted in 10 14 days.	
20 " " " 3 weeks.	
30 " " " 4 "	William Stephens & Co.
Complete " 5/6 "	Watkins & Co.

When we come to deal with exportation of goods we will give copies of other forms of contract used when the seller ships the goods on account of the buyer.

On receipt of a first order from a firm with whom you have not previously had dealings, and of whose financial standing you are uncertain, it is usual to ask for references and also make enquiries about the firm either through your banker or through one of the enquiry companies such as Stubbs, Perry, the General Enquiry Association and others. In the latter case, a form similar to the following would have to be filled up and forwarded to the company or association approached.

Book A.....	10445.....	Office No.....
<u>PRIVATE AND CONFIDENTIAL ENQUIRY.</u>		
NATIONAL ENQUIRY ASSOCIATION, LONDON.		
Name (in full).....	John Thomas Mason,	
Business.....	Engineer,	
Address (in full).....	73, Brown Street,	
Town.....	Sleaford	County..... Lincolnshire.
Particulars required.....	Is he good for £1,500.	
	Firm's Signature and Address }	Hardy, Williams & Co. London.
Date.....	October 1st,	1897...

No enquiry will be accepted unless it bears the Signature and Address of the Firm making the enquiry, and accompanied by P.O. 3/-, and Stamped Addressed Envelope.

Should the enquiries prove satisfactory, the order is executed.

A *Contract Note* is in many respects similar to an order form, as it contains the same particulars. The essential difference is that a contract note is usually given by the *seller*, or by an agent or broker acting on behalf of both buyer and seller. In the latter case these contract notes are generally called

Bought and Sold Notes, from the fact that the contract given to the buyer usually begins, "I have this day *bought* on your account," while that to the seller begins, "I have this day *sold* on your account." Bought and Sold Notes are mostly used in the Produce Market and Money Market, and on the Stock Exchange. A

Bought or Sold Note relating to the purchase or sale of any stock or marketable security requires a stamp of the value of one penny if the amount bought or sold be over £5 and under £100, and a stamp of sixpence if the amount be £100 or upwards.

Del Credere.—A broker frequently guarantees to his principal payment for goods sold through him, for which he receives an extra commission. This commission is called a “del credere commission,” and the contract is styled a “del credere contract.”

Delivery Order.—This is a document in writing (usually on a printed form) addressed to a dock company, warehouseman, &c., containing instructions to deliver certain goods to the person named therein, or to his “order,” or to “bearer.” A delivery order to “so-and-so or bearer” does not require endorsement, but if made out to “order” it may be transferred to another person by endorsement in the same manner as a Bill of Exchange, except that instead of the word “pay” the words “deliver to,” or “please deliver to,” would be used. A delivery order requires a penny stamp. This is a specimen of such an order:—

DELIVERY ORDER.

TO THE EAST INDIA DOCK Co.,
LONDON.

LONDON, 27th Jan., 1897.

Please deliver to *Messrs. Jones & Co., Limited..* or order

5 bags Tapioca marked A.J.C.

10 „ Rice marked E.A.R.

ex. str. “Majestic,” Rangoon.

Townsend, Fletcher & Co.

Verbal Arrangements.—It cannot be too strongly urged that all arrangements and agreements made verbally should be at once confirmed in writing. Neglect to do this is a frequent cause of misunderstandings, disputes, arbitrations, and law-suits. It is within the writers' knowledge that several cases have been lost, mainly because the party concerned had omitted to confirm, in writing, arrangements said to have been made verbally, of which there was no independent testimony. Whenever it is agreed verbally to vary the terms of a contract, or to make an allowance, &c., the arrangement should there and then be confirmed in writing.

CHAPTER VIII.

INVOICES, CREDIT NOTES, STATEMENTS, &c.

An Invoice is a detailed account of goods purchased, and is given or sent by the seller to the buyer at the time the goods are delivered. It should show the quantity, description and price, the total cost of each kind of goods mentioned, and the total of the whole. When packing charges, carriage, or other charges have been paid by the seller on account of the buyer, these items should also be given in detail in the invoice, and included in the total.

Such an account, when rendered by a shopkeeper or retail tradesman, is always referred to in books, especially works on book-keeping, as a *Bill of Parcels*, but that term is never used in commercial affairs. If it ever was used, it is quite out of date. There is practically no difference between a Bill of Parcels, or a *Bill* as it is often called, and an Invoice. The term "Bill" may mean a measure before Parliament, a placard, an invoice, a bill of exchange or other document representing money, and any number of legal and customs documents; and it would certainly be an advantage, and would simplify matters, if every detailed statement of goods purchased were called an *Invoice*. In common parlance, however, the term "Bill" is frequently used in retail transactions. The word is derived from a French word signifying a *Note*, and it is worthy of mention that in Bradford and other Yorkshire towns a shopkeeper's account of goods purchased is generally called a "Note." The word "invoice" is derived from a French word also, the word in this case being "envoie" (to send). An "s" being added to form the plural, we get "envoies" (meaning sendings), now pronounced invoice.

There are many varieties of invoices, ranging from the bill rendered by a retail tradesman for goods purchased over the counter, to the complicated document called a "franco invoice," in which the weights, measures, and amounts are expressed in foreign weights, measures, and money. Most of these invoices are used in foreign trade only. They will be dealt with fully later on, when explaining the operations incidental to the exportation of goods.

We are here only dealing with invoices used in the home trade, *i.e.*, for goods bought and delivered within the United Kingdom. The nature of these documents will be readily understood from the following examples :—

INVOICE FOR GROCERIES.

*Joseph Williamson, Esq.**Leeds, 26th October, 1897.*

Bought of WOOLEY, THOMPSON & CO.,

WHOLESALE GROCERS.

					£	s.	d.
$\frac{1}{2}$	Chest of Tea, 46 lbs. nett	...	...	1/6	3	9	-
2	Cwt. Sugar, in 2 bags	...	...	14/-	1	8	-
42	Lbs. Coffee, in bag	...	...	1/5	2	19	6
3	Doz. Assorted Jams, 2 lb. Jars	...	...	7/6	1	2	6
$\frac{1}{2}$	Cwt. Tapioca	...	...	12/-	-	6	-
Per Midland Railway.					£9	5	-
Terms as usual.							

INVOICE FOR TOPS (Combed Wool).

*Halifax, 4th November, 1897.**Messrs. Harrison & Parker.*

Bought of WILKINSON BROS.

WOOL MERCHANTS.

Terms: { Prompt Cash
Less 4 Mos.

No.	Tare	Cwts.	qrs.	lbs.			£	s.	d.
386	8	3	2	12					
381	8	4	1	19					
392	8	4	3	16					
384	8	2	1	12					
	32	14	3	59					
				32					
		14	3	27	or 1679 lbs. Tops.	16½d.	115	8	8

INVOICE FOR OIL.

Messrs. Heaps & Walker.

Bought of KILVART & LAIRD.

PER

ORDER No. 72.

DATE 5/2/97.

LONDON, March 6th, 1897.

VICTOR WORKS, CLAPHAM, S.W.

CONTRACT

MANCHESTER BRANCH:—

TERMS: 2½% Discount Monthly Account.

16, Short Street.

GOODS.	MARKS.	NOS.	GROSS.			TARE.			Pounds or Gallons.	@		
1 Cask Brown Soap Oil		09333	13 2	1 1	5 14	2	1	14				
			10	3	19	Net				21/-	11	9 4
Cask to be returned.												
DESPATCHED ON 6TH, per L. & N. W. E.												
CARRIAGE PAID.												

When an invoice is received, enquiries must be made as to whether the goods were really ordered. If so, the invoice should be signed or initialled to show that the goods have actually been received; then it is compared with the order to see if the price and conditions are correct, and the extensions are then checked. It is afterwards folded so as to leave the dates and names exposed, and is pasted in an invoice guard book, to which the receipts are often afterwards attached, or filed in some other manner. The best way of filing invoices is to make use of a file of the Shannon or Alpha type.

CREDIT NOTES.

Sometimes a portion of the goods is returned, owing to their being imperfect or unsatisfactory in some other way. A *credit note* is then sent by the seller of the goods. Thus, supposing that out of the invoice for Tops one bag had been returned, Messrs. Wilkinson Bros. would send to Harrison & Parker a credit note, made out in something like the following form. Credit notes are generally printed in *red ink*, to distinguish them from invoices.

Halifax, November 6th, 1897.

Messrs. Harrison & Parker.

Credited by WILKINSON BROS.

By	Returns.	c.	q.	lbs.				
	1 Bag Tops	...	2	1	4 nett	...		
					= 256 lbs. @	16½d.	£17	12

DEBIT NOTE.

On the other hand, Harrison & Parker might, when returning this bag, have sent a *debit note*. This would be made out in just the same form as an invoice, thus:—

Bradford, November 6th, 1897.

Messrs. Wilkinson Bros.

Dr. to HARRISON & PARKER.

	c.	q.	lbs.				
1 Bag Tops returned	2	1	4 nett				
			= 256 lbs. @	16½d.	£17	12	

STATEMENTS.

This matter having been satisfactorily arranged, the next step is to send in what is called a *Statement*. This, as its name implies, is a short statement of account between the parties. It is sent in a few days before the firm's pay day, and serves as a reminder. A statement for the goods mentioned in the invoice and credit note already given, would be made out in this way:—

Occasionally the discount is deducted in the statement. Generally, however, the buyer prefers to take off the discount himself, as he is then able to secure a little extra discount by knocking off the odd pence.

Discount is an allowance or rebate made by the seller to the buyer, sometimes in consideration of prompt payment of a credit account, but generally according to the custom of the trade, or to the agreement made when the goods were sold.

Commission is a charge made by a merchant or agent for services rendered, such as buying or selling goods or carrying out certain transactions. It is usually a percentage on the value of the goods bought and sold, but is sometimes a fixed sum agreed upon. "Bank commission" is the charge made by a bank for the collection or transmission of money, &c.

Brokerage is a charge of so much per cent. made by a broker for buying or selling goods, effecting insurance, chartering a ship, selling or buying bills of exchange, &c. It is merely another term for commission.

GROSS WEIGHT, TARE AND NETT WEIGHT.

The weight of all kinds of goods is usually calculated by *gross weight* and *nett weight*. There is another term, *suttle weight*, which is, however, little used.

Gross weight is the weight of the goods, including the cases, vessels, wrappers, or other material in which they are packed or contained—that is, the total weight without deduction.

Tare is the weight of the case, cask, bag, wrapper, hoops, or other article in which the goods are packed or contained. *Tare* is calculated in several different ways, according to the custom of the trade. *Particular or real tare* is the actual weight of the cases, bags, &c., in which the goods are packed. This is the tare generally allowed in invoices. *Average tare* means that the real tare of a few packages out of the whole number is taken as an average for the whole. This is customary in the cotton trade, 10 bales out of every hundred being stripped, and the weight of the wrappers, bands, &c., being taken as the average of the 100 bales. *Customary tare* is a fixed uniform allowance off the gross weight of

certain goods, determined by the custom of the trade. In the provision trade for instance, the buckets in which lard is imported are not weighed to ascertain the tare, but a fixed allowance is made, as the buckets are of a uniform size and weight. *Computed tare* is not much used. It means an estimated allowance agreed upon at the time of sale. *Super tare* means an extra allowance when the packages exceed a certain amount or weight. This also is rarely used.

Nett weight is of course the actual weight of the goods themselves, *i.e.*, gross weight, less tare or other allowances.

Tret is an almost obsolete term. It represents an allowance for wear, damage, or deterioration in transit, or for dust or sand mixed with a commodity. The term *double draft* (2 lbs. per bale), used in the cotton trade, is probably equivalent to the old term *tret*.

Stuttle weight is a term applied to weight when tare has been deducted, but the *tret* has yet to be allowed. It is rarely used.

Terms of payment.—These vary according to the locality in which the goods are bought and sold, and according to the nature of the trade. The following terms are more or less generally applicable:—

Prompt cash, meaning payment within a day or two.

Nett cash, meaning payment within a week or ten days.

2½ % *one month*, meaning payment in one month, less 2½ % discount.

Prompt cash, less ¼ months, means payment within a day or two, less four months' interest at 5 % per annum.

CHAPTER IX.

FORWARDING OF GOODS.

DELIVERY BOOK ; CONSIGNMENT NOTES ; RAILWAY RATES AND CHARGES.

Delivery Book.—When goods are forwarded by railway or other carrier, particulars of the goods are entered in the goods delivery book. This is signed by the carman when receiving the goods, and forms a receipt for them. Goods delivery books are usually made out in the following form :—

DELIVERY BOOK.

<p>No. 65. Oct. 1 18 97</p> <p>Messrs. Smith & Co.</p> <p>Received from <i>Barnes, Bridge & Co.</i></p> <p>in good order and condition, the undermentioned Goods, viz. :—</p> <p style="text-align: center;">3 Bags Tops</p> <p>Received by <i>Joseph Jenkinson.</i></p>		<p>No. 65. Oct. 1 18 97</p> <p>Messrs. Smith & Co.</p> <p>Please receive from <i>Barnes, Bridge & Co.</i></p> <p>in good order and condition, the undermentioned Goods, viz. :—</p> <p style="text-align: center;">3 Bags Tops</p>
---	--	---

Consignment Note.—At the same time the railway company's form of consignment note must be filled up (when the goods are forwarded by railway) and given to the carman with the goods. This gives the name and address of the consignor (sender) and of the consignee (person to whom the goods are consigned or sent), particulars of the goods, weight and marks, instructions as to whether the goods are to be carried at owner's or at company's risk, and whether carriage is payable by the consignor or by the consignee. These particulars are copied more or less fully on the *counterfoil* of the consignment note, which, when a delivery book is not used, is signed by the railway company's carman on receiving the goods. The following is a copy of the consignment note used by the Great Northern Railway Company :—

(598)

Date 16th Sep. 189 7

(598)

16th Sep. 189 7

The GREAT NORTHERN Railway Company are requested to forward the under-mentioned Goods upon the Conditions at the back hereof, viz. :—

Carted in by S. Webster,

Thomas Wilson, Sons, & Co. Ltd.,
East End No. 3 Shed,
Railway Dock,
Hull.
1 Truss Woollen Cloths, 3 · 3 · 14
Carriage Paid.

S. Webster
(Cart^r).

Consignee.	Residence.	GOODS.			WEIGHT.			Who pays Carriage.
		No. of Pack-ages.	Species.	Marks.	T.	Q.	C. L.	
Thomas Wilson & Sons Ltd.	East End,	1	Truss of					
	No. 3 Shed,		Woollen			3	3	14 Senders.
	Railway Dock,		Cloth					
	Hull.			P P C				
				21				
	For shipment to Station.							

Signature of Sender } George Thomson and Co.
or his Agent ... }

Address Sunbridge Mills, Bradford.

RAILWAY RATES AND CHARGES.

The rates for carrying goods from one place to another can be ascertained on inquiry at the railway company's office. When there is more than one line of railway from any particular place, both or all of the companies charge the same rates, but special rebates are sometimes given for large quantities. The best (*i.e.*, the quickest) route can only be ascertained by experience.

The general powers of the railway companies in regard to the conveyance of goods are contained in the Railway and Canal Traffic Acts, 1873 and 1888, and the rates which the companies may charge—or, rather, the rates which they may not exceed—are specified in the Railway Rates and Charges Acts, 1891 and 1892.

In these Acts the maximum rates and charges which the companies are empowered to levy are grouped under six broad classes, *viz.* :—

1. Goods and Minerals.
2. Animals.
3. Carriages.
4. Dangerous goods, exceptionally bulky articles, &c.
5. Perishable merchandise by passenger trains.
6. Small parcels by goods trains.

Class 1 (goods and minerals) is sub-divided into eight classes, *viz.*, A, B, C, 1, 2, 3, 4, 5, "A" being the lowest and "5" the highest. The various kinds of merchandise dealt with are divided amongst these eight classes, and scales of charges and maximum rates for conveyance applicable to each class are provided for each company. The rates for conveyance differ more or less between one company and another, but the charges (which are called "station terminals" and "service terminals"—meaning charges for the use of stations, and for certain specified services rendered by the railway companies) are practically the same for each company.

It is impossible within the limits of this chapter to go into the rates charged by each company, but the following table, giving the rates for conveyance applicable to the greater portion of the London and North Western Railway, will serve to show the basis on which these rates are computed :—

MAXIMUM RATES FOR CONVEYANCE.

Maximum rates for conveyance, per ton per mile, for consignments comprised in the undermentioned classes :—						
			First 20 miles or under.	Next 30 miles or under.	Next 50 miles or under.	Remainder of distance.
			Pence.	Pence.	Pence.	Pence.
CLASS A	...	...	0·95	0·85	0·50	0·40
„ B	...	...	1·25	1·00	0·80	0·50
„ C	...	...	1·80	1·50	1·20	0·70
„ 1	...	...	2·20	1·85	1·40	1·00
„ 2	...	...	2·65	2·30	1·80	1·50
„ 3	...	...	3·10	2·65	2·00	1·80
„ 4	...	...	3·60	3·15	2·50	2·20
„ 5	...	...	4·30	3·70	3·25	2·50

MAXIMUM STATION AND SERVICE TERMINALS.

The following table gives the maximum charges which the companies are authorised to make in respect of merchandise comprised in the under-mentioned classes. These rates, with a few exceptions, are applicable to all the railways in the United Kingdom :—

			MAXIMUM TERMINALS.				
			Station terminal at each end.	SERVICE TERMINALS.			
				Loading.	Unloading.	Covering.	Uncovering.
CLASS A ...	...	0·3	—	—	—	—
„ B ...	...	0·6	—	—	—	—
„ C ...	...	1·0	0·3	0·3	0·1	0·1
„ 1 ...	...	1·6	0·5	0·5	0·1½	0·1½
„ 2 ...	...	1·6	0·8	0·8	0·2	0·2
„ 3 ...	...	1·6	1·0	1·0	0·2	0·2
„ 4 ...	...	1·6	1·4	1·4	0·3	0·3
„ 5 ...	...	1·6	1·8	1·8	0·4	0·4

A detailed classification of the merchandise comprised under the above-named eight classes is published periodically by the Railway Clearing House, under the title of the "General Railway Classification of Goods by Merchandise Trains," price 1s. The general principle on which the classification is based appears to be the value of the article, thus:—

Ironstone	...	...	...	is included in Class	A
Granite (undressed)	...	is	"	"	B
Dyewoods	...	...	are	"	C
Raw cotton	...	...	is	"	1
Raw wool	...	...	is	"	2
Woollen goods	...	...	are	"	3
Ribbons (made partly of silk)	are	"	"	"	4
Silk goods	...	...	are	"	5

Classes A and B are applicable to consignments of four tons and upwards, and Class C to consignments of two tons and upwards. The rates for Class A do not include wagons; if these are provided by the railway company an extra charge is made of 9d. to 1s. 3d. per ton, according to distance. No service terminals are chargeable for Classes A and B. The rates for merchandise specified in Classes 1 to 5 apply only to consignments weighing more than 3 cwt.

Consignments weighing less than 3 cwt. are conveyed as *Smalls*, and pay an additional charge of from 5d. to 1s. 6d. per parcel, according to the tonnage charge.

Special rates are also provided for *Returned Empties*.

Explosives and other dangerous goods are only carried at "owner's risk," and special forms of consignment notes and advice notes must be used for such goods.

The rate for any particular class of goods from one station to another can be ascertained on application at the railway stations, and the companies can be compelled to produce their rate books for inspection when required during reasonable hours.

A careful study of the Classification of Merchandise, and the Schedule of Rates and Charges applicable to the company concerned, is necessary in order to be able to check the charge made for any particular consignment. The way to do this is as follows:—Having ascertained the class in which the article in question is placed, the

mileage must next be calculated, and then the terminal charges added. For example, supposing that a consignment of cotton goods weighing five cwt. were sent from Manchester by the London and North Western Railway to a place say 123 miles distant, the proceeding would be as follows to arrive at the rate per ton :—

1. Refer to the "General Classification," where we find "cotton goods in bales, cases, &c.," are in Class 3.

2. Take the rates for Class 3 given in the above tables, thus :—

	d.	d.
First 20 miles at 3·10 per mile =		62·00
Next 30 " " 2·65 " " =		79·50
" 50 " " 2·00 " " =		100·00
Remainder 23 " " 1·80 " " =		41·40
<u>123</u>		<u>282·90</u>

*3.	Add station terminals, 3s. ...	36·00
	" service " 2s. 4d. ...	28·00
		<u>346·90</u>

= 28/11 per ton, or 7/3 for the 5 cwt.

It is, however, a very difficult matter to check railway rates. The best way of doing so is to refer to the tables drawn up by Mr. J. W. Gray, of Shipley Fields, Bradford, which contain the rates from all the principal towns to most other towns.

Canal Rates are charged on a basis somewhat similar to the above.

REMITTING MONEY THROUGH THE POST OFFICE.

There are four ways of remitting money through the post office:—

1. By enclosing the amount in coin or notes in a Registered Envelope.
2. „ Postal Orders.
3. „ Money Orders.
4. „ Telegraph Money Orders.

1. We have already dealt with sending money by *registered letter*. It will be remembered that whatever be the amount of coin enclosed in a registered envelope, the post office will not give more than £2 compensation if the packet be lost.

2. The best and cheapest way of sending small sums of money not exceeding £1 by post, is by *Postal Orders*. Those documents with which everyone is now familiar, are issued for certain fixed sums from 1/- up to £1, and may be obtained at all post offices at which money order business is transacted. The commission is $\frac{1}{2}$ d. for amounts of 1/- and 1/6, 1d. for amounts from 2/- to 10/6, and $1\frac{1}{2}$ d. for amounts of 15/- and 20/-.

Postal orders may also be obtained at post offices in a few of the British possessions abroad, and at Constantinople.

Broken amounts (but not fractions of a penny) may be made up by the use of postage stamps, not exceeding 5d. in value, affixed to the face of any one postal order in the place where the name should be written, the payee's signature being written across the stamps.

Postal orders should be cashed within three months from the last day of the month of issue, otherwise a fresh commission will have to be paid.

Postal orders may be crossed like cheques, and will then only be paid to a banker. They are marked "not negotiable," meaning that they cannot legally be transferred from one person to another.

Payment may be deferred, if desired, for any period not exceeding 10 days.

Postal orders were introduced on 1st January, 1881. The number issued last year was 64,076,377, the value being £23,896,594, or an average of about 7/6 per order.

3. *Money Orders, Inland.*—These differ from postal orders in that an application form has to be filled up, specifying the exact amount required to be remitted, the name of the post office where the money is to be paid, the name of the person to whom it is to be paid, and the name and address of the sender. The commission is higher than for a postal order, viz., 2d. for sums not exceeding £1; 3d. for sums above £1 and not exceeding £3; and 4d. from £3 to £10. £10 is the limit for any one order.

The money order given by the post office to the applicant must be forwarded to the payee, who must present it when asking for payment, and must also receipt it, and give the name of the remitter. A money order may also be crossed like a cheque, and payment may be deferred for any period not exceeding 10 days.

When a money order is made payable in London, or at any other town where there is more than one money order office, the remitter should say at which of such offices he wishes it to be paid, otherwise it will be drawn upon the head office. The names of the different post offices in all towns in the United Kingdom, and the nearest post office to any particular street in London, may be ascertained by referring to the Quarterly Post Office Guide issued by the Post Office.

The first money order office was established in the year 1792, but these orders were not used freely until about 1840. The number of money orders issued last year was 10,900,963, representing a value of £29,700,000, or an average of £2 14s. 5d. each.

Foreign and Colonial Money Orders.—The regulations with regard to money orders payable abroad, are in many respects similar to those relating to inland orders. A special form of application must be filled up, and in case of orders drawn on certain countries, the order need not be sent by the payee, but should be retained by the remitter. Further particulars, together with tables showing the sums payable in foreign currencies on money orders issued in the United Kingdom, and the sums payable in English money on money

E

orders issued in foreign countries, will be found in the Post Office Guide. The rates of commission are:—For sums not exceeding £2—6d. ; not exceeding £6—1s. ; and not exceeding £10—1s. 6d.

Telegraph Money Orders.—Money may be transmitted by “telegraph money order” between all post offices authorised to transact telegraph and money order business, between the hours of 8 a.m. and 8 p.m., except on Sundays and other holidays.

The limit for each order is £10. The commission is:—For sums not exceeding £3—4d. ; for sums above £3 and not exceeding £10—6d.

In addition to the commission, a charge is made at the ordinary inland rate for the official telegram, authorising payment at the office of payment and for the repetition thereof, the minimum being 9d. Any telegram which the remitter may wish to dispatch to the payee, must be paid for at the ordinary inland rate.

The remitter of a telegraph money order may direct the order to be delivered at the payee's address. He may also direct that it be crossed for payment through a bank. The payee's address, as well as the word “crossed,” are charged for as part of the official telegram of advice.

Except in cases in which telegraph money orders are delivered at the payee's address, the person expecting such a remittance must furnish satisfactory evidence that he himself is the person entitled to receive the money. He, or someone on his behalf, must attend at the office to obtain payment. Whenever doubt is entertained by a post-master as to the authority, expressed or implied, of a person to receive payment on behalf of the payee, he may require such person to produce an authority in writing from the payee for the payment of the money to the applicant.

In the case of a telegraph money order payable at a sub-office, there may be some delay in obtaining payment, as sufficient funds may not be in hand.

In most other respects telegraph money orders are subject to the regulations which govern the transmission of ordinary money orders.

Advice Note.—The following is a usual form of a letter advising payment:—

27, Market Street,
HALIFAX,

27th August, 1897.

Messrs. SIMPSON, BOOTH & CO.,
Manchester.

Dear Sirs,

We have the pleasure to hand you herewith a money order for £2 12s. 3d., which, with discount 2s. 9d., balances your account.

A stamped acknowledgment by return of post will oblige,

Yours faithfully,

JAS. WILLIAMSON & CO.

The following is another form of Advice Note:—

Victoria Iron Works,
Near BRADFORD, Yorkshire,

September 26th, 1897.

Messrs. WILSON & CO.,
Silver Street, Bradford.

Dear Sirs,

Enclosed we beg to hand you cheque for £12 12s. 0d., in payment of your account, which please acknowledge in due course.

Yours faithfully,

For the Victoria Iron Co., Ltd.,
F. HEELIS.

	£	s.	d.
Cheque ..	12	12	0
Discount ..	-	6	6
Deductions ..	-	4	6
	<u>£13</u>	<u>3</u>	<u>0</u>

Forms similar to the above are generally printed or lithographed, blanks being left for the date, name, nature of remittance (money order, &c.), and amounts.

Remittances for sums above £1 are usually sent by *cheque*. Cheques, bills of exchange, &c., are dealt with in a subsequent chapter.

CHAPTER XI.

RECEIPTS FOR MONEY.

Receipts.—There are three kinds of receipts, viz. :—

1. An acknowledgment that money actually due has been received in part or in full.
2. An acknowledgment that goods have been received.
3. An acknowledgment that money, valuables, or securities have been lodged for safe custody, and for the benefit of the depositor.

We are here only dealing with receipts for money. The usual form of this receipt is generally taken from a printed book with a perforated counterfoil, as in the following example :—

No. 675.	Barnsley, 23rd August,	18 97.
Received from Messrs. Charles Sharp & Co.		
the sum of	One Hundred and Fifty	Pounds
on account.		
£ 150	Joseph Wilson.	

Some firms prefer (1) a separate receipt, some (2) a receipt on the invoice, whilst other firms again have (3) a printed receipt book, and any person receiving money has to fill up the form (one page) in that book. When money is remitted by such a firm, a form of receipt is enclosed, and on its return this is pasted into the receipt book or into a guard book. This is a most convenient method of tracing receipts, and enables an auditor to check more readily the accounts paid and cheques drawn. Other firms use small receipt forms (taken from books with counterfoils) which are gummed on the back, and are attached to the invoices. Some firms, County Councils, and other bodies have a form of receipt printed at the foot or on the back of the cheque, and this receipt has to be filled up and signed before the cheque is presented for payment. Such a receipt must be stamped.

For money paid into a bank to current account no stamp is necessary on the receipt, as this is not a payment for money due. Nor is a receipt stamp necessary for a money order or a postal order or for any payment to the Government.

When only part of a debt is paid, the person giving the receipt should be careful to state that the money is received *on account*.

When payment is made by cheque, the debt is not really discharged until the cheque is cashed. A payment by cheque should, therefore, not always be treated as cash; the receipt should state that payment was made by cheque. A cheque is not legal tender like a bank note or cash.

If a debt is allowed to remain for six years without payment being demanded, the creditor loses his right to enforce payment.

Voucher Book.—With some firms all receipts, receipted invoices, or other forms of voucher used in the business, are pasted into a *voucher book* and numbered consecutively with an automatic numbering machine for ready reference. Receipted invoices, thus treated, should be neatly folded several times from the bottom to within, say $1\frac{1}{2}$ inches of the top, leaving the small affixed receipt form partly visible at the head.

The voucher book is provided with reference and folio numbers (see Petty Cash Book, page 21).

CHAPTER XII.

FIRST STEPS IN BUSINESS CORRESPONDENCE.

One of the qualifications to be most desired by persons in business is the ability to write a good letter. In order to do this it is necessary that a person should possess a good grounding in English grammar, and a knowledge of the principles which govern English composition, and that he should acquire an insight into the technicalities of his business, and be able to adapt his style of writing to the different purposes and requirements of the correspondence with which he has to deal.

Correspondence is one of the most important matters connected with office work, and is indeed its very foundation. It forms a complete record of the whole transactions of a firm, and of all agreements entered into. Correspondence has been aptly described as the "intellectual machinery of trade."

All bargains and agreements concluded are, or should be, confirmed in writing—for two reasons :—

Firstly.—To obviate any misunderstanding as to the terms of a transaction made verbally, and

Secondly.—To render the contract or agreement legally binding, for by Act of Parliament passed in the reign of Charles II., and known as the Statute of Frauds (now embodied in the Sale of Goods Act passed in 1893) it is the law of the land that, except in certain specified cases, no contract for the sale or purchase of goods of the value of £10 or upwards is legally enforceable unless the contract is made in writing and signed by both parties.

You will thus perceive the importance of keeping copies of all letters and documents despatched and the originals of those received. This is obligatory in France and Germany, the commercial codes of those countries providing that every person carrying on business must keep a copying book for letters despatched and must file all letters received, both of which must, like books of account and other office papers, be preserved for a period of ten years.

Of course, only responsible and experienced persons can be expected to conduct the correspondence of an office, or to write letters without assistance, but a junior will frequently be required to copy out, or "make a fair copy" as it is called, of letters drafted by his superiors. It is therefore necessary that he should be thoroughly acquainted with the proper mode of setting out a letter, more especially as the draft he will be given to copy from will not be a letter in its complete form, but merely the terms, or what may be called the "body" of the letter.

In composing or writing out commercial letters, it is most important that any statement, whether as to facts, dates, or prices, be absolutely correct. A mistake might have very serious consequences. For instance, if you were told to write to a customer that your employer would sell say 1,000 articles at 29/6, and you instead said the price was 26/9, you would involve your employer in a loss of nearly £140. Remember that in a disputed transaction, anything in writing is generally considered conclusive, and in a court of law would over-ride verbal arrangements.

There should also be no ambiguity, or double meaning, in any statement you make, and no room for doubt as to what you mean to say. We have seen a letter of this kind:—

"We are in receipt of your letter of yesterday, and thank you for the order contained therein. Our efforts to place this order have been attended with great difficulty, and we trust that in future you will either give us better limits, or a longer time for delivery."

This letter does not state explicitly whether the order has been executed or not, and it would necessitate a telegram or another letter to ascertain the fact.

The most amusing instance of ambiguity we have ever seen was an advertisement which appeared in one of the daily newspapers. It was this:—"Two women want washing." Of course it is obvious what was meant, but at the same time it might be construed in a manner unfavourable to the ablutionary habits of the advertisers.

And this is an instance of a contract which, through the misplacement of a comma, which seriously altered the meaning, was rendered void:—"The lamps at present are about 4,050, and have

in general two spouts each, composed of not less than twenty threads of cotton." The comma should have been after the word "spouts."

A letter should also *be concise in form*. There is a difference, however, between being concise and being *curt*. The latter is a fault of by no means rare occurrence. For instance, a not uncommon form of letter is this :—

"Thanks for yours of y'day. Order receiving best attention."

Now that would be suitable perhaps for a telegram, but it is hardly the form in which a letter should be allowed to go out. It would be much better thus :—

"We are obliged (or We thank you) for your letter of yesterday. The order contained therein is receiving our best attention, and we hope to advise execution in a day or two."

This is very little longer than the other, but is certainly more courteous.

We might almost add *write grammatically and legibly*. No particular style of handwriting need be prescribed. The best is that which can be most easily read. But great attention should be given to the composition of a letter. Clerks are generally found to be very deficient in this respect, the consequence being that the letters sent out reflect discreditably on the writer, if not on the firm.

The errors usually found in commercial and other letters may be summarised thus :—

- 1.—Wrong Spelling.
- 2.—Bad Punctuation.
- 3.—Faulty Construction.

These are errors which a person may correct by a careful study of English Grammar and Composition; and a correct style of commercial expression may be acquired by the study of the work "Model Business Letters," which will be issued as a companion to the present work; in it the letters are arranged in the same order as, and relate to, the various operations herein explained.

There are three principal forms of letters, viz. :—

The Private, for which octavo sheets of paper are used ;

The Official, for which foolscap sheets are used ; and

The Commercial, for which quarto or octavo sheets are used ;

and the way in which one's ideas are expressed should vary according to the kind of letter one is writing, be it private, official, or commercial.

Private Letters are usually written in a chatty, narrative style, much the same style as one would use if actually speaking to one's correspondent.

Official Letters are those written to or by Government Departments, County Councils, &c., and are usually more formal and precise.

In *Commercial Letters* one must remember that "time is money" and that it is therefore necessary to adopt a concise but courteous style, going straight to the point of the matter in question, and gathering all answers or questions closely together. In long letters, the matter should be placed under appropriate headings, the points relating to each heading being dealt with in separate paragraphs. Before beginning to write, the matters to be written about, and the plan or arrangement of the letter should be rapidly fixed upon. Do not add a postscript to a letter if you can possibly avoid it.

HOW TO SET OUT A LETTER.

The Heading.—The address of the writer, firm, or department should be clearly set forth in the right-hand top corner of the first page. In private letters this heading is often, but not always, printed. In official and commercial letters it is usually printed.

The Date.—The date of all letters is written immediately under the heading, and care should always be taken to make sure the date is right. It is frequently, however, written on the same line as the name of the town.

The Address.—The name and address of the person to whom one is writing is placed *at the end* of the letter in private letters, *at the foot* of the first page in official letters, and *at the beginning* of commercial letters.

In addressing individual, official, and commercial letters, consideration must be paid to the position, character, and status of the individual, Government department, and firm respectively addressed.

Individuals are addressed as Mr., Esq., Rev., Major, Col., &c., according to their position, rank, &c.

Firms are addressed as *Messrs.* A firm composed of *ladies*, would be addressed *Mesdames*.

Officials are addressed according to the department of the Government, County Council, or Corporation communicated with.

The following are a few examples of addressing letters in accordance with the above remarks:—A greengrocer would be addressed *Mr. John Jones*; a merchant as *John Jones, Esq.*; a baronet as *Sir John Jones, Bart.*; a clergyman as *The Rev. John Jones, M.A.*; a Privy Councillor as *The Right Honourable John Jones, M.P.* Barons, earls, marquises, dukes, and other persons have special designations, which may be found in "Whitaker's Almanack" and similar publications. A firm would be addressed *Messrs. John Jones & Co.*; a limited company as *Messrs. John Jones, Limited*.

The Commencement.—A little below the heading and the date, to the left, should be the "salutation" (*i.e.*, the commencement of the letter). In *private letters* the salutation is "Dear Sir," "Dear Mr. Brown," "Dear Brown," &c., according to the terms of intimacy on which the writer stands. In *individual letters* the usual salutations are "Sir," "Dear Sir," "Madam," "Dear Madam," &c.; in *official letters* always "Sir," or "My Lord"; in *commercial letters* written to firms and companies "Gentlemen," or "Dear Sirs," and to banks (in which case the person usually addressed is the manager) "Dear Sir," or "Sir."

Below the salutation, a little to the right, the body of the letter should begin, the first word being placed under the last letter of the salutation.

At the beginning of the text of the letter it is a good plan to refer to the last letter written or the last received, thus:—

"We had this pleasure last on the 26th ult."

"Confirming our respects of the 26th ult."

"In reply to your letter of yesterday"

"With reference to your letter of"

"Agreeably to the request contained in your letter of yesterday"

In acknowledging the receipt of an official letter a brief *résumé* of its contents should be given.

The Ending.—The concluding lines should form distinct paragraphs, each a little to the right of the preceding one.

The character of the ending of *private letters* is determined by the degree of intimacy existing between the writer and the person written to.

Official letters are generally concluded thus:—"I am, Sir, your obedient Servant," or "I have the honour to be, My Lord, your Lordship's most obedient humble Servant."

Commercial letters usually end "Yours faithfully," or "Yours truly," sometimes preceded by "I am, Dear Sir," or "We are, Dear Sirs," as the case may be.

The Signing.—Only partners, as a rule, sign the firm (*e.g.* "Brown, Watson & Co."), but other persons may be empowered to do so, generally by power of attorney, which is a written or printed document authorising a person to act instead of, and with the power possessed by, another, thus making it possible for business to be transacted for a person in his absence.

Other persons, generally the manager or the cashier, sign "*per pro.*" A person so signing is generally authorised to do so by power of attorney, but such a deed is not actually necessary in all cases. It is frequently sufficient to write to the bank authorising so and so to sign cheques, "*per pro.*" The meaning of this abbreviation is "*per procurationem*," *i.e.*, that the person so signing is, with certain reservations, conducting another person's business either in his absence or by his authority. A signature by procuration operates as notice that the person so signing has only a limited authority to sign, and the principal is only bound by such signature if the person so signing was acting within the actual limits of his authority. A bank, for instance, would therefore be justified in asking to see a person's power of attorney or authority for carrying out a certain operation on behalf of another. It is usual to send a power of attorney to one's banker to allow him to inspect it, and, if necessary, make a copy of it. Thus:—

(a) A partner would sign:—

Brown Watson & Co.

(b) A person authorised would sign:—

*p.p. (or per pro.) Brown Watson & Co.,
J. Williams.*

- (c) A clerk not authorised specially would sign:—

for (or pro.) Brown Watson & Co.,

W. Jones.

- (d) Letters from banks, public companies or public institutions, Government Departments, &c., are signed by the manager, secretary, heads, &c., respectively.

Letter Reference.—The letter reference number is often given towards the left-hand top corner of the letter, and the correspondent is asked to quote it when replying, to facilitate reference. Each letter bears the number of the page of the letter book on which it is copied; thus the letter or letters copied on page 684 of letter book “B” would be numbered B 684, or $\frac{B}{684}$, and if on page 684 of letter book “20,” 20 684, or $\frac{20}{684}$, &c.

Numbering Letters.—When letters are going regularly to a correspondent, it is advisable to number each letter consecutively. The correspondent is then able to ascertain whether or not a letter has miscarried.

Memorandum.—The “memorandum form” is used when subjects of lesser importance are written about. By its use the junior members of the staff avoid troubling their manager or superiors, as, unlike a letter, the memorandum is generally dispatched unsigned. Frequently the form of memorandum is printed on a post card.

The following is an example of a form of memorandum:—

Memorandum.

FROM

H. BELL & CO.,

39, TRINITY STREET,

MANCHESTER.

13th October, 1897.

To

Messrs. Kettlewell & Ineson,

Will your Mr. Gill please call here as soon as convenient to see the
pieces you delivered yesterday?

The following abbreviations are usually made use of in correspondence, in reference to dates, time, &c. :—

ult., meaning	Ultimo	= last month.
inst., „	Instant	= this month.
prox., „	Proximo	= next month.
Jan'y., „	the month of January.	
Feb'y., „	„	February.
Mch., „	„	March.
Apl., „	„	April.
Aug., „	„	August.
Sept., „	„	September.
Octr., „	„	October.
Novr., „	„	November.
Decr., „	„	December.
a.m., „	Ante-meridian	= before noon.
p.m., „	Post-meridian	= after noon.
P.T.O., „	Please turn over.	
Regd., „	Registered (or To be registered).	
P.O., „	Post office or postal order.	
Encl., „	Enclosure.	
do., „	Ditto = the same as above.	
P.S., „	Postscript = written afterwards.	

EXAMPLES OF A PRIVATE, AN OFFICIAL, AND A COMMERCIAL LETTER.

A PRIVATE LETTER.

216, CUNLIFFE VILLAS,
MANNINGHAM,

29th September, 1897.

DEAR WILSON,

I will come over to Leeds on *Friday* afternoon by the G.N. train arriving at 5.9 p.m. If by any chance I miss this train, I will catch the next, (*Midland*), arriving at 5.20.

Yours sincerely,

J. W. WATSON.

JOHN WILSON, Esq.,
LEEDS.

AN OFFICIAL LETTER.

BRADFORD CHAMBER OF COMMERCE,

BRADFORD, 4th February, 1893.

SIR,

METRIC AND DECIMAL SYSTEMS.

With reference to my letter of 5th December last, asking if there were any objections to the Decimal System being made a compulsory subject of instruction in all Public Elementary Schools, and your reply referring me to the last footnote to Schedule 1 of the Code, I am desired to draw attention to the fact that the footnote in question requires only a very elementary knowledge of the subject. I am also to say that, so far as the experience of the members of the Chamber goes, the instruction in the principles of the Decimal System in the Bradford and other schools where such instruction is given is practically worthless, whether regarded as intended to impart a knowledge of the Decimal System itself or as a preparation for the changes which will take place when a Metric System of Weights and Measures (and eventually a Decimal System of Money) is introduced into this country.

That such a system will sooner or later have to be adopted in this country is becoming every year more apparent. In every civilised country in the world, with the exception of Great Britain and some of her dependencies, a decimal system of coinage has been adopted, and a very large proportion of the civilised nations have also adopted the metric system of weights and measures, whilst among scientific men in all countries the metric system is invariably used, and electricians throughout the world have adopted a system of electrical units based on the metric system.

Owing to the principles upon which our currency, weights, and measures are based being so widely different from those of all other European countries, the trade of this country suffers to a considerable extent, as can be readily demonstrated. On the other hand, the adoption of the Decimal System in this country would not only facilitate international commerce, by placing our manufacturers in a position of equality with their foreign competitors, but would also be the means of saving an immense amount of time to commercial men by doing away with the elaborate calculations necessitated by our present cumbrous arithmetical methods. It would also result in vastly simplifying and expediting the teaching of the higher forms of arithmetic in schools, thus affording more time for other subjects.

In these circumstances, and in view of the fact that the introduction of the system into this country would be immensely facilitated if all scholars in elementary schools were required to thoroughly understand the system, I am desired by the Council of this Chamber to express an earnest hope that your Honourable Committee will be pleased to take the question into consideration, and, if possible, make provisions in the Code that the Decimal System of Weights, Measures, and Money shall be a compulsory subject of instruction in all Public Elementary Schools in the Kingdom.

I am, Sir,

Your obedient servant,

FREDK. HOOPER,

Secretary.

G. W. KEKEWICH, Esq., C.B.,
Secretary to the Committee of Council
on Education for England and Wales,
Whitehall, London, S.W.

A COMMERCIAL LETTER.

54, BEECH ROAD,

MANCHESTER, *5th July*, 1897.

MESSRS. BOOKER, SON, & CO.,

Nottingham.

DEAR SIRs,

A friend of ours in Italy asks us about the standing of Mr. Niente, of Nottingham, but gives us no address beyond this, and no initial. May we ask you to kindly give us any information you can about him. He is supposed to be an agent in the lace trade.

Thanking you in anticipation,

We are, Dear Sirs,

Yours faithfully,

A. LISTER & Co.

CHAPTER XIII.

PRÉCIS WRITING.

Précis writing is the art of condensing, compressing, or summarising long letters or statements without changing or obscuring their meaning; and the ability to thus give in a few words the essence or "pith" of a communication is a valuable accomplishment to all who are engaged in business life.

Proficiency in précis writing is not only useful in writing up the "letter register," but especially so in writing out "telegrams" and "cablegrams," in which each unnecessary word means a waste of money. It is also useful in drafting a brief narrative statement of the material points in the subject matter of the correspondence relating to a transaction.

A good précis of a letter should give *briefly, completely, and clearly expressed its important points*, omitting everything else; and these points should be arranged in proper order of sequence and set down in a readable manner. The art consists in omitting everything that will not affect a clear understanding of the whole subject.

EXAMPLES.

THE SILK ASSOCIATION OF GREAT BRITAIN AND IRELAND.

ASSOCIATION CHAMBERS,

15, HIGH STREET, MANCHESTER,

21st January, 1897.

DEAR SIR,

At a meeting of the Council held at the latter part of last year, certain inequalities of taxation of silk goods in France, upon English as against Japanese goods, and also in India, were brought under the notice of the Council, and a Trade Disabilities Committee was appointed to consider the matter. A report, copy of which I append for your perusal, has been drawn up of the disabilities complained of, and submitted to a meeting of the council held last week, when I was instructed to convey to your Chamber the following resolutions:—

As to Indian duties:—"That after considering the inequalities of silk taxation in India complained of in the report presented, it is hereby resolved that steps be taken with a view to have the 5 per cent. duty removed from all silk goods and yarns sent into India, or an excise duty placed upon native or factory-made yarns of an equivalent value."

As to French duties :—"That being under the most favoured nation clause, we have a right to claim from France the same conditions as those granted to Japan for silk goods sent into France in the *ecru* state."

"That for all silk yarns and manufactured silk goods, we claim from France the same conditions as those granted to her by this country, viz :—Free admission, or reciprocal terms."

The Council propose to approach the Board of Trade by deputation on the subject, and I am instructed to solicit the support and co-operation of your Chamber, and to express the earnest desire of the Council that your Chamber will see its way to nominate a representative to join the deputation.

I may say that similar requests are being made to the Chambers of Commerce in each of the silk industrial centres, and it is hoped that a representative and influential deputation will result from the Council's appeals.

I am, Dear Sir,

Yours faithfully,

THE PRESIDENT OF THE
BRADFORD CHAMBER OF COMMERCE.

ARTHUR E. PIGGOTT,
Secretary.

Précis of above letter.

Letter from the Silk Association calling attention to certain alleged inequalities in the import duties levied in France on silk goods imported from Great Britain and from Japan respectively, and to the duty imposed by India on such goods, and asking the Bradford Chamber of Commerce to join in a proposed deputation to the Board of Trade on the subject.

OFFICE OF THE HIGH COMMISSIONER FOR CANADA.

VICTORIA CHAMBERS,

17, VICTORIA STREET,

LONDON,

10th September, 1897.

SIR,

In reply to your letter of the 6th instant, I am directed to inform you that the High Commissioner is advised by the Canadian Government that the benefits of the preferential tariff will be given to Belgium and Germany until the termination of the treaties with those countries on the 30th July, 1898, and to all other countries entitled in Canada to most-favoured-nation treatment in tariff matters; and that this extension applies to indirect, as well as direct, importation, from the countries in question.

I am, Sir,

Your obedient Servant,

J. G. COLMER,

Secretary.

THE SECRETARY,
CHAMBER OF COMMERCE,
BRADFORD.

Précis.

Letter from the High Commissioner for Canada stating that goods manufactured in countries enjoying most-favoured-nation treatment will, on importation into Canada, be allowed the preferential rate until 30th July, 1898, whether imported directly or indirectly.

BRADFORD CHAMBER OF COMMERCE,

BRADFORD, 23rd January, 1896.

MY LORD,

With reference to the notification in the January number of the "Board of Trade Journal," to the effect that a telegram had been received at your office on the 3rd inst. announcing that the new Brazilian duties were to take effect for goods shipped before January 1st, I am desirous to mention that Bradford merchants were anxiously awaiting information on the subject, and that had the contents of the telegram been communicated to this Chamber when received, the information would have been highly appreciated. I am desirous to express the hope that in further cases of a similar nature that course will be followed.

I have the honour to be, my Lord,

Your Lordship's most obedient

Humble Servant,

FREDK. HOOPER,

Secretary.

THE MOST NOBLE

THE MARQUESS OF SALISBURY, K.G.,

FOREIGN OFFICE.

Précis.

Letter from the Bradford Chamber of Commerce to the Foreign Office, calling attention to the delay in notifying the coming into force of the new Brazilian Tariff, a telegram on the subject received at the Foreign Office on the 3rd January, not having been published until the 16th.

Any further communication on this subject should be addressed to
 THE UNDER SECRETARY OF STATE
 FOR FOREIGN AFFAIRS
 (Commercial Department),
 FOREIGN OFFICE,
 LONDON.

FOREIGN OFFICE,

February 11th, 1896.

SIR,

I am directed by the Marquess of Salisbury to state that your letter of the 23rd ultimo, expressing the wish of the Bradford Chamber of Commerce that the recent changes in the Brazilian Tariff might have been at once communicated to them, has been carefully considered in consultation with the Board of Trade.

The duty of publishing information in regard to tariff changes abroad rests with that department, but it has now been arranged that the Board shall, besides publishing such changes (as heretofore) in the "Board of Trade Journal," send immediate notices of any important changes to the daily Press and to the Chambers of Commerce.

Information on those subjects is invariably sent by this office, immediately on receipt, to the Board of Trade, and it is hoped that by this new arrangement no delay will in future occur in bringing it to public notice.

I am, Sir,

Your most obedient

Humble Servant,

THE SECRETARY

GEORGE CURZON.

TO THE CHAMBER OF COMMERCE,
BRADFORD.

Précis.

Letter from the Foreign Office in reply to a letter from the Bradford Chamber of Commerce stating that the Chamber's letter has been carefully considered in consultation with the Board of Trade, with whom rests the duty of publishing the information in question, and that it has now been arranged that notices of important changes in foreign tariffs shall in future be sent immediately to Chambers of Commerce and the Press.

Registered No. 472365/96.

*Any reply should bear this number, and should
be addressed :-*

"THE SECRETARY,

"GENERAL POST OFFICE."

GENERAL POST OFFICE,

LONDON, 30th Jan., 1897.

SIR,

With reference to your letter of the 7th ultimo, on the subject of the telephone trunk service at Bradford, I am directed by the Postmaster-General to acquaint you, for the information of the Bradford Chamber of Commerce, that the working of the trunk lines is engaging his Grace's earnest attention, and that every effort is being made by this department to ensure that a satisfactory service shall be given. Special steps have been taken to improve the service at Oldham, and additional circuits are being constructed to various places in the vicinity, with a view to prevent any further cause for complaint.

I am to add that the erection of these circuits is being pushed forward as rapidly as possible.

With regard to the last paragraph of your letter, I am to state that the Duke of Norfolk does not think that an extension of the period of three minutes, which is the period adopted in international arrangements, would be

of advantage in the general interests of the public, and that experience has shown that the limits of time laid down by the existing regulations are, generally speaking, ample.

I am, Sir,

Your obedient Servant,

JOHN ARDRON.

THE SECRETARY,

BRADFORD CHAMBER OF COMMERCE.

Précis.

Letter from the Postmaster-General stating that every effort is being made to ensure a satisfactory trunk telephone service, but that he does not think that an extension of the period of three minutes suggested by the Chamber would be of advantage in the general interests of the public.

CHAPTER XIV.

TELEGRAMS.

Telegrams Inland.—The electric telegraph was introduced into the United Kingdom in 1846. The telegraphs were at first in the hands of private companies, but in 1870 they were purchased by the Government for £8,000,000 and have since been a Government monopoly, like the carriage of letters.

The charge for transmission is 6d. for the first 12 words, and $\frac{1}{2}$ d. for every additional word, addresses being charged for. The public are required to fix postage stamps to the message forms for the payment of telegrams.

Telegrams are delivered free within three miles of the terminal office; when the terminal office is a head office, however, they are delivered free within the town postal delivery or within three miles, whichever covers the larger area. Telegrams are delivered free at all times within the Metropolitan Postal District.

When the address is beyond the free delivery, portorage is charged at the rate of 3d. per mile or part of a mile, the charge being calculated from the office door. The sender is responsible for the portorage, and must, if practicable, state the distance, and pay in advance. In most cases the approximate distance can be ascertained by referring to the Post Office Guide.

Telegrams may be sent by post or train from the terminal office. Persons requiring this to be done must write the word "post" or "train" at the end of the address, and must pay the cost or deposit 1s. if the exact cost is not known. A deposit for boat hire is required on every telegram addressed to a ship, unless the ship be alongside a wharf, jetty, or pier.

On payment of a charge of one-half of the ordinary tariff a person can have his telegram repeated, i.e., signalled back from office to office, and this is frequently done in the case of important telegrams, to prevent mistakes being made. Copies of a telegram directed to more than one person in the same free delivery (or, in London, in the same postal district) are delivered at a charge of two-pence per copy, in addition to a halfpenny for each word in the address of the copy.

Persons not wishing to send to a Telegraph Office may post a telegram in an envelope addressed "Telegram, Immediate," in a wall or pillar box, &c., from whence it is sent on by the next collection to the Telegraph Office, and thence transmitted and delivered free of charge. Telegrams posted insufficiently prepaid are forwarded, and the deficiency is charged to the addressee; but unpaid telegrams are not forwarded.

Persons desirous of having a communication forwarded by post to a place abroad, from a Postal Telegraph Office at which it could be posted later than at their local office, may have it transmitted as an inland telegram to such an office, and posted there. In this case the sender must write "post from ——" (which will be charged for) at the end of the address, and must prepay the postage. Thus, a telegram of 23 words, to be posted from Queenstown to New York, should be marked "post from Queenstown," and be prepaid 1s. 3½d., viz., 1s. 1d. for telegraphing and 2½d. for postage.

Telegrams may be received by postmasters after the usual hours on payment of certain late fees to the postmaster and telegraphist; also to the messenger, should any be required.

Any person may register an abbreviated address, consisting of two words (one being the town, *e.g.*, "Hercules, London,") on payment of a registration fee of £1 1s. a year.

Telegrams may be cancelled either before, during, or, if not too late, after, transmission; if cancelled before transmission the cost of the telegram is returned.

On the following page is a "Telegram Form," which explains itself. The address of the sender need not be telegraphed, nor even his name, but when the name is not telegraphed it must be written on the back of the form. It is advisable in business telegrams to always give name of the sender. The names of all telegraph offices in the United Kingdom will be found in the Post Office Guide.

When sending a telegram it is of course desirable to use as few words as possible, so as to save unnecessary expense. The words used, however, should fully express the meaning. The best way of doing this, until one has acquired some practice in writing out telegrams, is to write a rough draft of the message one wishes to

convey, and alter this in such a way that the omission or alteration of certain words will not change or obscure the meaning ; *e.g.*, the following message :—

“ In reply to your letter of yesterday, we regret that we are unable to accept the order at your limit of one and threepence, our lowest price to-day being one and sixpence.”

may be compressed into this telegram :—

A. Prefix _____ Code _____		POST OFFICE TELEGRAPHS. (Inland Telegrams.)		No. of Telegram _____		
Office of Origin and Service Instructions.		Words.	Sent		For Postage Stamps. <i>The Stamps must be affixed by the Sender.</i>	
			At _____ M.			
		Charge.	To _____		A Receipt for the Charges on this Telegram can be obtained, price Two pence.	
			By _____			
12 words. 6d. Every additional word, 1d. ½d. Every word telegraphed is charged for, whether in addresses or text.		NOTICE. —This Telegram will be accepted for transmission subject to the Regulations made pursuant to the 2nd Section of the Telegraph Act, 1885, and to the Notice printed at the back hereof.				
		TO { <i>Electric, London.</i>				
		<i>Order</i>	<i>impracticable</i>	<i>to-days</i>	<i>price</i>	<i>eighteen</i>
		<i>pence</i>				
		FROM { <i>Brown.</i>				
		The Name and Address of the Sender, if NOT TO BE TELEGRAPHED, should be written in the Space provided at the Back of the Form.				

In some cases, telegrams despatched are copied in the letter-book. In other cases, copies are obtained by the carbon duplicating process described on the next page.

Foreign Telegrams.—The procedure in regard to foreign telegrams is similar to that for inland telegrams, except that they have to be on a special form, and pay a higher rate. We will deal with foreign telegrams later on, when dealing with foreign telegrams and telegraph codes.

METHODS OF OBTAINING MULTIPLEX COPIES.

Carbon Duplicating Process.—By placing carbon sheets between two, three, or more sheets of paper, and exerting sufficient pressure upon the upper sheet when writing, two, three, or more copies of a document may be produced by one and the same operation. In some offices, for instance, it is the custom to thus make three copies of every telegram despatched. One copy is forwarded to the telegraph office, one copy is enclosed in the letter sent to confirm the telegram, and one copy is kept in the office for future reference, in case of dispute. Again, a traveller in this way makes three copies of every order received. He leaves one copy with the customer, forwards one to his firm, and keeps one for his own information, &c., &c.

Stencil Copying.—There are many kinds of copying apparatus in use for duplicating handwriting, typewriting, drawings, &c., by means of which hundreds of copies of letters, circulars, &c., can be reproduced, which are scarcely distinguishable from actual documents written by hand or on the typewriter. The principal kinds in use are the (1) Mimeograph, (2) Neo-cyclostyle, (3) Trypograph, (4) Ellam's Duplicator, &c. The working of the apparatus is simple, and can be quickly learned.

Illustrated directions for using the various kinds of copying apparatus are readily supplied by stationers and others who act as agents for the sale of such apparatus. The learner has to be taught four things—(1) How to prepare the stencil, (2) how to fix the stencil in its frame, (3) how to print the paper, and (4) how to remove the printed copy from the frame.

Outline of Stencil Process for Duplicating Handwriting, &c.
A sheet of prepared paper is placed over a finely engraved or corrugated metal plate, and the writing is done with a steel-pointed pencil, the pressure of which causes the engraved surface of the plate to perforate the paper in the lines of the writing, producing a

stencil. The stencil is then fixed on the printing frame, underneath which is placed a sheet of plain paper to be printed on, and the *inking-scraper* is passed over the surface of the *stencil*, squeezing the ink through the stencil or perforations on to the paper underneath, thus producing a *fac simile* of the original. This may be repeated for thousands of impressions. A special kind of porous paper should be used for these impressions.

As an alternative to the steel-pointed pencil, a small toothed wheel fixed in a suitable holder is used for writing, the metal plate in this case being smooth.

Gelatine Processes.—The principal varieties of this kind of duplicating apparatus are (1) the Hectograph, (2) the Simplex, and (3) the A B C. The matter requiring to be copied is written with specially prepared ink on ordinary writing paper. The writing is then placed on the gelatine and allowed to remain for a short time, the ink being thus transferred to the surface of the gelatine, and sinking in to a certain extent. Copies are obtained by placing sheets of paper on the gelatine, and pressing the hand or a roller on all parts of the paper. This kind of apparatus cannot be relied on to give more than say fifty good copies.

Lithography itself.—One of the principal varieties of this kind of duplicating apparatus is Waterlow's Office Process, which produces admirable results. A certain amount of skill is required to ensure success in working the apparatus, and time must be taken in removing the impression from the stone.

Processes somewhat resembling Lithography.—The principal varieties are the Autocopyist and the Eclipse Copier. The writing is done with special ink, being an acid solution of an uranium salt, which, when the writing is transferred to a damp gelatine surface, takes the fatty ink from a roller passed over it. Inking is required for each copy taken.

These simple methods of reproducing documents are of great utility in an office, and should be mastered by all juniors.

SECTION 2.

MEDIUMS OF EXCHANGE.

CHAPTER XVI.

MONEY.

Strictly speaking, the term "money" means pieces of metal stamped by the supreme authority of a country, to serve as a medium of exchange. Generally speaking, however, the term includes not only coin, but Bank Notes, Cheques, Bills of Exchange, and in fact anything which serves as a standard of value and is taken freely in exchange for goods sold or services rendered. The word "money" is derived from the Latin word "moneta," which is said to have been a sobriquet or surname of the Goddess Juno, in whose Temple money was coined by the Romans 269 B.C.

In primitive times the only method of performing the operations which we now call buying and selling, was by "barter," *i.e.*, the exchange of one commodity for another. This form of exchange, however, was not restricted to primitive times. In fact, it obtains to a considerable extent at the present day in uncivilised countries; for instance, in the interior of Africa, cloths, beads, and other articles of British manufacture which the natives require but do not produce themselves, are exchanged for the natural products of the country, such as palm oil, gold dust, ivory, &c. This method of exchange has obviously very great disadvantages, and sooner or later the necessity for a standard of value or a settled medium of exchange becomes apparent. For these purposes many articles besides the precious metals (*i.e.*, gold and silver) have from time to time been used in different countries. The things most commonly used were cattle, skins, leather, shells, furs, copper, iron, tin, and tobacco. Even nails are said to have been used at one time in Scotland, while slaves are used to-day in the Upper Niger Territories.

From very early times, however, *metal* of one kind or another has held the first place in public estimation as a medium of exchange.

All nations as they advanced in trade gave the preference to metals, for the following reasons:—1st, on account of their value compared with their smallness of bulk; 2nd, because they are not

liable to deterioration or destruction by use ; 3rd, because they may.. be used either in small or large quantities ; 4th, because they may be easily and inexpensively transported from one place to another ; and 5th, because they are more stable in value than other commodities.

At one time *iron* was extensively used. *Lead* was also used ; whilst so recently as the reign of William and Mary *tin* half-pennies and farthings were current. *Copper* has also been and is now extensively used, whilst *silver* has been largely used from time immemorial. In 1828 Russia commenced coining *platinum*, but the comparative scarceness of the metal and other causes led to its abandonment in 1845, when the coins already issued were withdrawn from circulation. Now-a-days *gold* and *silver* are universally used as money. Gold is the favourite in most countries, owing to its greater value, and to its being less variable in value than silver.

When metals were first used they were probably in the form of bars, ingots, &c., and were sold by weight, just as we do now in effect, the only difference being that in olden times the weight varied, whereas now the pieces of metal we use as money are of fixed size and weight. All the precious metals are, as you know, sold by *troy* weight. This term is commonly supposed to be derived from a weight used at Troyes, a town in France. It is also said to have been the monkish name given to London—Troy Novant. Troy weight is said to have been in use in this kingdom since the time of Edward the Confessor. This weight was originally derived from grains of corn : 32 of these made 1 dwt., 20 dwts. 1 oz., and 12 ozs. 1 lb. troy. Subsequently the dwt. was divided into 24 equal parts called grains.

Coin, which word is derived from the old French word "coin," a wedge or a die, is stamped money. Coins are generally circular and stamped on both sides, but formerly they were of various shapes—square, oblong, octagonal, &c.—and at first were stamped on one side only. Julius Cæsar is said to have been the first monarch whose portrait was stamped on coins.

The *coinage* of money, *i.e.*, the making and issuing of coins, is in most countries in the hands of the Government or supreme authority. In England all coin is made at a place called the Mint (Saxon "mynet" = money or stamped coin). Any person can have gold coined into sovereigns free of charge by taking it to the Bank of England. The usual, in fact almost invariable, plan is to *sell* the gold to the bank.

A sovereign should weigh 123·27447 grains, but as it is impossible to make every coin of exactly the same weight, the Master of the mint is allowed a margin of $\frac{1}{3}$ th of a grain either way, *i.e.*, a sovereign can only legally be issued provided it weighs not less than 123·074 grains and not more than 123·474. This allowance or margin is called the "remedy."

The mint price of gold is £3 17s. 10½d. per oz.; the Bank of England price by Act of Parliament is £3 17s. 9d. This difference of 1½d. per oz. is called *demurrage*. When we come to deal with chartering of ships, you will learn that demurrage means an extra charge for delay, and so it does in this case; for as it usually takes about three weeks before the mint can turn a particular portion of gold into coin, the 1½d. per oz. retained by the bank represents the loss of interest, &c., sustained by the bank. Silver is bought by the bank at market price only, which is to-day about 2s. 2d. per oz.

None of the sovereigns or half-sovereigns coined by the mint are entirely pure, or "fine" as it is called. Standard gold contains one-twelfth of alloy, *i.e.*, two carats out of 24, so that a sovereign is said to be "22 carats fine." Silver coins are also alloyed. The reason is that pure gold and pure silver are too soft to stand much wear and tear, and an alloy of copper is necessary to give the coins sufficient hardness.

The coins issued by the mint are of three kinds, *viz.*, gold, silver and bronze.

The *gold* coins are of the value of £5, £2, £1, and 10s.

The *silver* coins are the crown, double florin, half-crown, florin, shilling, sixpence, and threepence. (Other silver coins, *viz.*, of the value of 4d., 2d. and 1d., are also struck in small quantities for what is known as maundy money, but they are not in circulation).

The *bronze* coins are, penny, halfpenny, and farthing—fourth-thing.

All coins except the gold ones are *token coins*, *i.e.*, they are not intrinsically worth the amount they represent. For instance, a sovereign is legally divided into 20 shillings, but as sovereigns are worth nearly £3 17s. 10½d. per oz., whereas 20 silver shillings are worth only 2½ per oz., you will find if you work it out that 20 shillings are only worth about $\frac{7}{6}$ intrinsically; and that is all you would get for them if you tried to exchange them on the Continent.

Copper or bronze coins are intrinsically worth even less, comparatively, than silver coins, *e.g.*, a penny is intrinsically worth something like a farthing only. The difference in the actual value and the nominal value at which silver and bronze coins are issued by the mint, is a profit made by the State, and goes to the relief of taxation, like the profit made by the post office.

Whilst treating of British coins, it may be interesting to mention that the penny weighs exactly one-third of an ounce, and that the halfpenny weighs one-fifth of an ounce, and measures one inch in diameter.

The symbols £. s. d. stand for *libra*, *solidi*, and *denarii*. The word "libra" means a balance, or, as some authorities give it, a pound weight. In accounts, we call a sovereign a "pound." This name is derived from the fact that in the time of William the Conqueror, one tower pound ($11\frac{1}{4}$ oz.) of silver was coined into 240 pennies. A tower pennyweight was, therefore, the weight of a penny. At that time, and for many years afterwards, the silver penny (a coin rather larger than our present threepenny piece) was the only coin used in England. The halfpenny and fourth-thing, or farthing, were really halves and quarters of a penny, these pennies being deeply indented with a mark in the form of a cross, to facilitate the process of halving and quartering.

The term "shilling" was originally applied to a *weight* equivalent to the twentieth of a pound. A statute of Henry II., A.D. 1266, decreed that "if corn be at twelvecence a quarter, the farthing loaf shall weigh six pounds and sixteen shillings" (*i.e.*, 6 lbs. and 16-20 of a lb.). The first current shilling or silver piece of twelvecence was coined in the 20th year of the reign of King Henry VIII.

The term "guinea" was applied to a coin struck out of gold brought from Guinea in the reign of Charles II. It was intended to circulate as a pound or twenty shillings, but owing to an excess amount of gold having been put in it was never worth less than 21/-, and even rose to as much as 30/-. In 1717, during the reign of George I., its real value was estimated at 20/8, and by Royal proclamation the coins were made current at 21/-. There is no such coin in circulation now, but the term guinea (meaning a sum of 21/-) is frequently made use of in subscription lists and for fees, &c. The *sovereign* was introduced in 1816.

We have so far dealt only with *Coin*, or, as it is generally called, *Metallic Currency*; but it must not be overlooked that there is another kind of money, viz., *Paper Currency*. Both kinds are in use in nearly every country.

Metallic Currency, as already explained, consists of gold, silver, bronze, metal, copper, or any metal legally coined into money.

Paper Currency, in its strictest sense, consists in this country of bank notes only, but the term is also held to include cheques, bills of exchange, coupons, &c.; in fact, every kind of document or paper representing money or money's worth, and which can be readily converted into money. Coin plays a very small part in commercial monetary transactions. Mr. Elijah Helm mentions in his work on bimetallism, "The Joint Standard," that particulars collected in 1881 showed that the average receipts of London banks in that year were as follows:—

<i>Coin</i>	0.728
<i>Bank of England Notes</i>	2.039
<i>Cheques and Bills</i>	97.233
	<hr/>
	£100

In London, therefore, of every £100 paid into the banks, the amount of paper currency was £97 4s. 8d., whilst only a fraction over 14s. 6d. was in coin.

In Manchester, in the same year, the particulars were as follows:—

<i>Coin</i>	6.1
<i>Bank of England Notes</i>	13.8
<i>Country Notes</i>	0.1
<i>Cheques and Bills</i>	80.0
	<hr/>
	£100

The larger proportion of coin here is an indication that in Manchester—an industrial centre—more coin is required (for payment of wages, &c.) than in London. The Manchester figure probably represents the average for the United Kingdom, out of London.

Before dealing with the various kinds of paper currency, it will be convenient to explain the meaning of terms in everyday use relating to money.

Currency is explained above.

The term *Circulating Medium* is used for both kinds of currency, but it ordinarily applies to money actually in circulation (*i.e.*, passing from hand to hand, or from person to person).

Bullion is uncoined gold and silver, in bars, ingots, &c.

Specie means coin of every description; it is, in fact, the usual term for metallic currency. The term is used chiefly in connection with imports and exports of coins.

Legal Tender.—In the United Kingdom English gold coins of legal weight are legal tender up to any amount; *i.e.*, they cannot be refused when offered in payment of a debt.

Silver coins are legal tender up to £2. Pence and halfpennies up to one shilling.

Bank of England notes are legal tender in England and Wales, except by the bank itself or any of its branches.

An English sovereign will be accepted at its full value in any country in the world, and in most countries a Bank of England note is also accepted.

Standard of Value signifies that substance or commodity which is fixed by law as the measure or gauge of all other commodities. In England the standard is gold, the silver and bronze coins being only tokens, circulating in this country only. England is therefore said to be a "gold standard" country. Mexico and China are "silver standard" countries. France has nominally a double or bi-metallic standard, but practically she has a gold standard, only gold being coined.

Decimal Coinage.—Nearly every country in the world (the principal exception being the United Kingdom and some of her colonies and dependencies) has adopted a decimal system of coinage, *i.e.*, the standard coin (or coin of accounts) is divisible by ten. This vastly simplifies the keeping of accounts and calculations, and it is to be hoped that we shall before long have a decimal system in operation in this country, if not for coinage, at all events for weights and measures.

Money is not only used for the purpose of buying and selling goods, paying for services rendered and so on, but is itself *an article of merchandise*, and is bought and sold like other articles. Therefore, just as we have a cotton market in Liverpool, where most of the cotton used in this country is imported, so we have a money market in London, the place where a very large proportion of the financial transactions of the world are conducted. This money market consists of bankers, discount brokers, bullion dealers, and others. The value of money, like that of other commodities, depends on the relation of supply and demand; therefore, when the banks hold an excessive supply of money, *i.e.*, more than there is at the time a legitimate demand for, they reduce their rates of *discount*, *i.e.*, practically the rate of interest they charge for lending money on certain securities. Money is then said to be *cheap*, or the money market is said to be *easy*. On the other hand, when the demand for money, *i.e.*, for loans, is brisk, and bankers are able to lend as much as they wish, bank rates for money rise, and money is then said to be *dear* or *scarce*, and the money market is described as being *firm*. Thus, in the "Times" a few days ago the money market report reads:—

"Money was rather more abundant to-day, and borrowers supplied themselves easily at 1 to $1\frac{1}{4}$ per cent. The discount market was quiet, and a shade easier again; some brokers still quoted $1\frac{1}{2}$ to $1\frac{3}{4}$ per cent., but bills were freely taken at the lower figure, and some fine paper was discounted at $1\frac{1}{8}$ per cent."

The rates here given are so much per annum, and "fine paper" means bills drawn on firms of first-class standing. The rates of discount are regulated by the rates charged by the Bank of England, or what is known as the bank rate. This is fixed by the bank every week generally, and is at present 2 per cent. The rates charged by discount brokers are nearly always less than those charged by the Bank of England.

According to the requirements of different countries, shipments of gold and silver, both specie and bullion, are being constantly made from one country to another. For instance, in the money article in the "Times" a short time ago, it is stated:—

"The bank bought £23,000 in United States gold coin. The "Etruria" left New York on Saturday with £455,000 in specie.

The £23,000 paid by the bank was the value of the United States coin bought, at the exchange of the day. This mode of exchange is both cumbrous and comparatively expensive. The usual method of paying for commodities bought in foreign countries is by bills of exchange, which will be dealt with later on.

CHAPTER XVII.

BANKS AND BANKING.

It was about the year 1645 that the London goldsmiths first began, in great numbers, to act as bankers, though there are instances, at least as early as Henry VIII., when they received moneys and rents from their customers, to whom they gave some interest for the use of the same. They also lent money on pledges, and issued notes.

During the Commonwealth, the number of goldsmiths increased considerably. They became the custodians of surplus cash, and usually issued receipts or cash notes for the same, payable on demand. A customer wishing to withdraw any sum would draw a note or draft, payable to his own or someone else's order, which was the origin of cheques.

The old goldsmiths, besides doing ordinary banking and goldsmiths' business, advanced money upon pledges, as the pawnbrokers do now. In the early days they frequently charged as much as 20 and 30 per cent. for loans, while they never allowed more than 6 per cent. for money lodged on deposit.

From about the time of William III., the business of banking proper made very rapid strides. Reputable firms sprang up and developed in all directions, and perhaps in no other way has the profitable character of the business been more clearly indicated.

The large amount of money transactions carried through without the intervention of coin or bank notes, in a country like England, is inconceivable to those not engaged in business pursuits. The manner in which these transactions may be effected without money would be at once understood if all persons in the same neighbourhood dealt with the same bank, and if all the banks scattered throughout the country were only branches of the same establishment. In practice, matters are managed as if this were the case. The cheques, bills, or other drafts which come into the hands of a banker, drawn on (that is, payable by) other bankers, are set off and liquidated by drafts which they have received, drawn on him. Only the balance or

difference is paid in money. In London, which is the centre of the money world, there is an establishment called the *Clearing House*, of which most of the London bankers are members. A clerk from each of these banks attends the Clearing House at fixed hours daily, and presents all the drafts immediately payable which his bank holds on others, the balance or difference on the whole, for or against each bank, is ascertained, and the bank which holds a less amount of drafts on others than they hold on it pays the difference by a cheque on the Bank of England. The highest total amount of documents passed through the Clearing House in one year was £6,357,059,000 in 1891. There are also Clearing Houses in Manchester, Liverpool, Newcastle, and other towns.

POST OFFICE SAVINGS BANKS.

The first Savings Bank Act was passed so long ago as the year 1817. This Act, however, had no connection with the Post Office Savings Banks. It was passed chiefly with a view to facilitate the establishment of savings banks in connection with night schools, Sunday schools, &c. The trustees of banks established under this Act were obliged to pay the money received by them into the Bank of England, on account of the Commissioners of the National Debt, who allowed interest for it. Several amending Acts have since been passed, but it was not until the year 1861 that savings banks under the supervision of the Government, and having the "direct security of the State," were established. In the year 1860 public attention was drawn to the subject by Mr. Charles William Sykes, of Huddersfield, and Mr. Gladstone, who was then Chancellor of the Exchequer, cordially adopted the suggestion. In the following year he carried a Bill through Parliament. It received the Royal Assent on the 17th May, 1861, and came into operation on the 16th September following. At first only 300 banks were opened, but two years later Post Office Savings Banks were in operation at all post offices in the United Kingdom where money order business was transacted. On the opening day 435 deposits were made, amounting to £951. For the year ending 31st March last the number of deposits was 11,385,000, and the amount deposited £32,000,000.

The method of opening an account at a Post Office Savings Bank is extremely simple. All you have to do is to go to any of the 11,323 Post Office Savings Banks now established, and say you

wish to open an account. The clerk fills in a book the name and address of the depositor, and the amount deposited. He then hands you the book, which you sign and retain. Two or three days afterwards you receive from the head office in London a receipt for the amount deposited, and you receive a similar receipt for every subsequent deposit. If no notice be received, advice should be sent to the General Post Office.

Deposits of one shilling or more will be received at any Post Office Savings Bank, but not more than £50 may be deposited in any one year ending 31st December, nor may the total deposit exceed £200, including interest. A fraction of a shilling is not received as a deposit, but a shilling can be saved in pennies for deposit in the Post Office Savings Bank, by affixing penny postage stamps to a form obtainable at any post office. Interest on deposits is allowed at the rate of $2\frac{1}{2}$ per cent. per annum, or 6d. in the £ for each complete pound deposited.

In withdrawing money, a form has to be obtained from the post office. This, when filled up with the amount it is desired to withdraw and the post office where it is to be paid, is forwarded post free to the head office, and a couple of days afterwards an order for payment is delivered at the depositor's address. This is then presented to the post office, with the bank book, and is at once paid over.

THE BANK OF ENGLAND.

The Bank of England, the most important bank in the world, was projected by William Paterson, a Scotsman, and incorporated July 27th, 1694, under the style of the Governor and Company of the Bank of England. The management was committed to the Governor and twenty-four directors, and operations were commenced in Grocer's Hall, in the Poultry, on January 1st, 1695. The Bank of England really grew out of a loan of £1,200,000 to the Government, who, in return, guaranteed to pay £100,000 annually, which was 8 per cent. on the capital, and an additional £4,000 a year towards the administrative expenses of the Corporation. At its very outset, therefore, the Bank of England was a servant of the Government; and it has retained this character, but in a diminishing degree, through all the stages of its subsequent history.

By the Act of 1844, the bank was divided into two departments—the *issue* and the *banking*. In the *issue* department of the

Bank of England, the sole business is to give out notes to the public and to take charge of the securities and bullion against which they are issued. The amount of notes which may be issued, without gold being in reserve against it, is £16,200,000.

In 1844 it was £14,000,000. All notes issued above that amount can be issued only in exchange for gold. The Bank of England has to account to Government for the net profit of this extra issue of notes, and the profit the bank derives from its issue department. The bank also makes a profit on gold bullion and foreign coin which are brought to the bank for notes.

The amount of notes in the hands of the public averages about £25,000,000 ; but the amount issued by the *issue* department is greater. The difference is the amount lying in the *banking* department, and represents the reserve of gold of that department. We therefore require to regard the reserve of the banking department as gold, though lying in the shape of notes issued by the other department.

The *banking* department of the Bank of England differs from other banks in having the management of the public debt, and paying dividends on it ; in holding the deposits belonging to Government, and in making advances to it when necessary ; in aiding in the collection of the public revenue, and in being the bank of other banks. The Bank of England receives money on deposit of which it makes use, but on which it allows no interest. If the banking department gives notes in payment of a cheque, and gold is desired in exchange, the *issue* and not the *banking* department must make the exchange.

OTHER BANKS.

There are two other kinds of banks, viz., the *Private Bank* and the *Joint Stock Bank*; the functions of both are the same, but the management is different.

A *Private Bank* is managed entirely by the few persons who compose the firm. It is usually a local bank, its business being chiefly with the residents or traders in its immediate neighbourhood. It may have branches, but as a rule it will not have an office in London ; some other bank will act as its agent. It conducts exactly the same style of business as a *Joint Stock Bank*, the essential differences being (1) that a private bank is carried on under the personal supervision of the bankers themselves, and (2) that it is not obliged to publish a balance sheet.

A *Joint Stock Bank* is managed nominally by a Board of Directors, but actually by a responsible person called the manager, who, however, refers all special matters to the directors. The Board of Directors usually meets once a week, and one or more of the directors visit the bank daily, in order that the manager may consult them if necessary. These banks must exhibit a balance sheet at stated periods (usually every six months), and they declare dividends out of realized profits. Nearly all Joint Stock Banks have branches, and all have London agents, *i.e.*, another bank on whom they draw and remit London cheques and bills for collection.

BANKING.

The business transacted by both kinds of banks may be thus classified :—

1. Keeping current accounts for customers.
2. Receiving deposits at interest.
3. Discounting bills of exchange.
4. Advancing money on securities, &c.
5. Issuing notes (if possessing the power).
6. Acting as agent for others.

A *fixed deposit* means a sum of money deposited with a banker for a fixed period, say 3 months, 6 months or 12 months, or even longer, the banker agreeing to allow interest at an agreed rate, varying from 2 to 4 per cent. per annum.

Another kind of deposit is when the money is deposited subject to a certain number of days' notice before withdrawal. In this case the rate of interest is lower than for a "fixed deposit."

DEPOSIT ACCOUNT.

Bank of England Notes.....	500	-	-
Gold.....	50	-	-
Silver and Copper.....			
Own Notes and Cheques.....			
Country Notes and Cheques..			
Drafts and Cheques on London			
No.	£ 550	-	-

LEEDS, *October 7, 1897.*

Paid the Yorkshire & Durham Banking
Co. Ltd., the sum of £ *550 . 0 . 0* to be
placed to the Credit of *William Mason.*

in DEPOSIT Account with said Bank.

Signature *William Mason.*

Residence *16, Silver Street, Brighton.*

The Bank's Form of Deposit Receipt will be given for the above-named amount.

In each case a printed acknowledgment, termed a "deposit receipt," is given for each sum lodged, which receipt must be delivered up by the depositor when he withdraws the money.

A *current account* means an account opened with a bank by lodging a sum of money, which can be drawn out in whole or in part by cheque.

A person is generally required to keep at least a certain sum of money, say £50, at the credit of his account in order to render it remunerative to the bank; and should he not do so, it is usual for the bank to charge a commission proportionate to the extent of his transactions.

Some banks do not allow any interest to their current-account customers, while others allow interest on the balance standing to their credit at the end of each day, but usually at a much lower rate than on deposit accounts.

The banker and his clerks are bound to observe secrecy with reference to the account of a customer; and should a person sustain injury from the improper disclosure of his private dealings with a bank, he can claim compensation in a court of law.

ADVANTAGES OF A BANKING ACCOUNT.

If you keep a current account with a bank, you derive so many advantages from so doing that, even if you receive no interest on your money in the banker's hands, you are amply repaid for the banker's use of it. For example, the advantages of a banking account may be thus briefly summarised:—

1. You are relieved of the risk and trouble of keeping large sums of gold and silver in the house for making your payments; and, should interest be allowed, you are paid for the use of your money.
2. You can pay by cheque, and these cheques can be produced at any time, should payment be denied.
3. You are saved the trouble of counting out money.
4. You can have all bills of exchange and cheques, which are payable at say fifty or more different banks, collected for you; you are thus relieved of all trouble and anxiety in the due negotiation of bills and cheques—clerks are employed in banks expressly to perform these duties.

5. If you are in need of money you can discount or cash your bills with your banker, who will charge a certain sum for the interest of the money during the time the bill has to run before it is due.
6. You can overdraw your account by special permission, against which security is generally given.
7. You can obtain information as to the standing of customers.
8. Ready form of giving a reference as to your own stability.

HOW TO OPEN AN ACCOUNT WITH A BANK.

Should you wish to open an account with a bank, the bank will require an introduction, either personally or by letter, if you are not known to the manager. This is a precautionary measure for the protection of the public, as well as the banker, from possible fraud. Unprincipled persons have been known to open accounts with banks of high standing, obtain cheque books, and then proceed to give cheques to tradesmen for sums amounting in the aggregate to far more than they had in the bank, obtaining goods and valuables in exchange.

If you cannot get an introduction, you will be required to give the names of two responsible persons as references to whom the bank will address an enquiry (marked *confidential*) like the following:—

“Mr. John Wilson, of 320, Park Row, Leeds, having given your name as a reference, we shall be obliged by your opinion as to his trustworthiness in the way of business, and for any information you may be able to add concerning his means and character.”

Enquiries proving satisfactory, you will receive from the Bank (1) a book of printed cheques. This cheque book should be kept in your possession, or under lock and key—failure to do this has led to many forgeries.

The bank will also provide you with (2) a bank “pass-book,” which contains an exact copy of your current account in their ledgers. Your pass-book should be periodically left at the bank, to be written up, and, at the end of each half-year, to be balanced.

Lastly you are provided with (3) a book of *credit slips*, or *paying-in slips* as they are generally called, and all your money will be paid into the bank by means of these slips.

PAYING IN MONEY.

Paying-in slips are not all quite alike—each banker has his own form—but they are practically identical. They show:—

1. Name of the bank.
2. Items of payment.
3. Name of person or firm to whose account the sum is to be credited.
4. Name of the person paying in.

The counterfoil also shows the items of payment, and should be an exact copy of the entries made in the paying-in slip.

Example of a paying-in slip:—

Payment to Credit of Current Account.

NOTES—Bank of England	10	50	-	-
Yorkshire Bank	20	200	-	-
Other	6	30	-	-
Gold	10	-	-	-
Silver and Copper	2	10	-	-
Cheques on this office	50	-	-	-
Other Cheques and Postal Orders	16	-	-	-
Bills	238	-	-	-
	£	506	10	-

LEEDS, *Oct. 7th*, 1897

Paid the Yorkshire and Durham
Banking Co. Ltd., the sum of *Five hundred*
and ninety-six pounds ten shillings
for the credit of *Thomas Jones*,
in Current Account with said Bank,
By *William Parker*.

When receiving money the banker retains the slip, and does not usually give a separate receipt, the counterfoil being deemed a sufficient record of the items and amount of payment, the counterfoil being usually initialled by the bank cashier. If you want a receipt and have no counterfoil, you make out the paying-in slip in duplicate; the banker signs and returns one, and keeps the other.

CHAPTER XVIII.

CHEQUES.

A cheque is a written order to one's banker to pay a specified sum of money to a person named, or to his "order," or to the "bearer," as the case may be. A cheque (when in order) is always payable on presentation to the banker, or "on demand," as it is called, and it must bear a stamp of the value of one penny as inland revenue duty. This stamp may be either impressed or affixed. It is generally impressed.

Every banker keeps on hand a stock of cheque books, each book containing from 12 up to say 1,200 blank forms of cheque, each of which he has previously had numbered consecutively, and impressed with the penny stamp. A person opening an account is supplied with a cheque book containing as many blank forms as may be desired, and, on personal application, or written order, further books will be supplied as required. The customer's account is, of course, debited with the cost of the stamps, but no charge is made for the forms. These blank cheques are all substantially in the same form, whatever bank may be selected, the only difference (with one exception, which will be pointed out presently) being in the name of the bank and the colour of the ink in which the cheques are printed.

It is not essential, however, that a cheque be written on one of these printed forms. If written in proper form on a piece of ordinary writing paper, and duly stamped, it will still be a cheque; but this should only be done when the cheque-book is not available, and the banker should be advised of such a cheque having been drawn. It is advisable to always use the banker's own forms. These are generally printed with chemical ink on specially prepared paper, so that fraudulent erasures or alterations may be readily detected.

In order to prevent fraudulent alterations of the amount written on a cheque, many firms have the cheque perforated with figures representing the amount drawn. This is done by means of a machine called a *Cheque Punch*, which may be obtained from most stationers. Other firms stamp the words "under ten pounds," "under fifty pounds," and so on, on the cheque, according to the amount.

There are two forms of cheque, though they differ by one word only. This is one of the forms :—

No. 15287
Manchester, 189
Yorkshire and Durham Banking Company Limited.
Pay or Bearer

£2

When filled up this cheque would appear as follows:—

No. 15287.....
 Manchester, 27th August, 1897.
 Yorkshire and Durham Banking Company Limited.
 Pay Messrs. James Stephens & Co. or Bearer
 One hundred and fifty pounds ten shillings and sixpence.
 £ 150 : 10 : 6
 John Mitchell.

Amount.—When filling in the amount the writing and figures should be begun well to the left hand, and the words written closely together, so as to prevent the insertion of figures or words increasing the amount, such as altering the word *six* to *sixty*, *seven* to *seventy*, and so on. The amount should always be expressed in words as well as in figures, and the writing should be very legible. In case of any discrepancy between the two, a banker would be justified in paying the sum denoted by the words. Such a cheque would generally, however, be returned by the banker endorsed “irregular,” or “words and figures differ.”

Date.—The date should always be that when the cheque is drawn. It is not illegal, however, to ante-date or to post-date a cheque, but a post-dated cheque will, of course, not be paid until the date it bears. If a cheque be issued undated, the owner may insert what he believes to be the true date. A cheque bearing date six months previous to the date when presented will usually not be paid.

The Parties to a cheque to “bearer,” are the same as to a bill of exchange to “bearer;” in fact, the legal definition of a cheque is, “a bill of exchange drawn on a banker payable on demand.”

The parties are:—

1. *The Drawer, i.e.*, the person who draws the cheque.
2. *The Drawee, i.e.*, the banker on whom it is drawn.
3. *The Payee, i.e.*, the person to whom it is payable.

Thus, in the example given above, John Mitchell is the drawer, the Yorkshire and Durham Banking Company is the drawee, and James Stephen & Company are the payees. A cheque is said to be “in favour of” the person named as payee.

A cheque to “so and so or bearer” may be paid to any person presenting it, whether he represent the person named in the cheque or not.

A cheque will only be paid by the banker when he has money in hand belonging to the drawer equal to (or in excess of) the amount drawn. If the funds in hand are insufficient to meet the cheque, the cheque will generally be returned to the person who presents it, marked R/D (refer to drawer), or N/S (not sufficient funds)

The following is the other form of cheque:—

No. 15287

Manchester, 189

Yorkshire and Durham Banking Company Limited.

Pay or Order

£

The only difference between this cheque and the one previously given is that one is *to bearer* and the other *to order*, a difference of some importance, however, as will be shown presently. Cheques to "order" are probably most used, but bankers will supply either form.

A cheque to *order* is filled up in precisely the same manner as one to "bearer," as will be seen on comparing the following example with that already given:—

No. 15287

Manchester, 27th August, 1897.

Yorkshire and Durham Banking Company Limited.

Pay Messrs. James Stephens & Co. or Order

One hundred and fifty pounds ten shillings and sixpence.

£ 150 : 10 : 6

John Mitchell.

A cheque to *bearer* is paid to anyone presenting the cheque, as already mentioned; but before a cheque to *order* will be paid, the person to whom it is made payable, *i.e.*, the payee, must sign his name on the back of the cheque, or "endorse" it, as it is called.

Endorsements.—The payee may simply sign his name thus, on the back of the cheque:—

JAMES STEPHENS & CO.

which is called a *general* or *blank* endorsement, or he may nominate another person or firm as payee, thus:—

Pay Messrs. ROBINSON & CO. or order

JAMES STEPHENS & CO.

which is called a *special* endorsement, or an "endorsement in full."

The "endorsee" (*i.e.*, the person to whom the cheque is endorsed) might nominate another person as payee, and so on, or he might endorse the cheque in blank, as above.

A cheque bearing a *blank* endorsement may be passed from hand to hand without further endorsement, or the holder may insert above the signature his own name, or that of any person to whom he wishes to transfer the cheque.

A banker is bound to see that a cheque to "order" purports to be properly endorsed, and that the endorsements follow in proper sequence (when there is more than one endorsement), but he is not liable for a forged endorsement unless he was aware at the time that it was forged. He is liable, however, if he pays a cheque on which the *drawer's* signature has been forged.

If a payee's name is wrongly spelled, or otherwise incorrectly given on the cheque, the endorsement should be made to correspond and the payee's proper signature written beneath; thus, if a cheque intended for T. & J. Smith be made out to *J. & T. Smith*, it should be endorsed:—

J. & T. SMITH.

T. & J. SMITH.

The second signature is not absolutely necessary, however.

A cheque payable to "Mrs. William Brown" should be endorsed "Mary Brown, wife of William Brown."

A cheque payable to "John Brown for account of William Robinson" should be endorsed simply "John Brown."

A cheque payable to a company should show that it is endorsed *on behalf* of the company by some legally recognized official, as director, manager, secretary, &c., *e.g.*, if payable to "the Deeside Manufacturing Company, Limited," it should be endorsed

for the Deeside Manufacturing Company, Limited,

JOHN JONES,

Director.

It should be remembered that every endorser of a cheque is liable to be called upon to refund the amount in case of the drawer suspending payment before the cheque is presented. (See Presentment for Payment—page 108).

There are *four* parties to a cheque to "order," viz., the *drawer*, the *drawee*, the *payee*, and the *endorser* (when the cheque has been negotiated).

Altering a "bearer" cheque to "order," and vice-versa.—A cheque to "bearer" may be altered to "order" by either the drawer or the payee, but a cheque to "order" can only be altered to "bearer" by the drawer. In either case the person making the alteration should affix his initials. The word "order" or "bearer" may also be struck out by the drawer (and initialled), so as to make the cheque payable only to the person named as payee. This is very unusual, however, unless the payee and drawee are the same person, and he goes personally to receive the money.

When a cheque is paid it is said to be *honoured*; when it is not paid (for any reason) it is said to be *dishonoured*.

There is another peculiarity about cheques which should be thoroughly understood by every one who has to deal with those documents, and that is the "crossing." This practice was originally confined to the United Kingdom, but it is now recognized in France.

Crossing is resorted to as a protection against theft or loss. The crossing is a material part of the cheque, and has legal force. It is illegal to obliterate or (except in certain cases hereafter mentioned) to add to or alter the "crossing."

When a cheque is not crossed (as in the examples already given) it is called an *open* cheque; when it is "crossed" it is called a *crossed* cheque.

The crossing of a cheque is effected by drawing across the face of the cheque two parallel transverse lines, thus:—

No. 75287

Manchester, 27th August, 1897.

Yorkshire and Durham Banking Company Limited.

Pay Messrs James Stephens & Co. or Order

One hundred and fifty pounds ten shillings and sixpence.

£ 150 : 10 : 6

John Mitchell.

The effect of the crossing, as given in the above example, is that the cheque will only be paid to a banker, not to the person named as payee. In order to obtain the money the payee must pay in the cheque to his account with his banker, who will collect it for him. If he does not possess a banking account he will have to pay away the cheque to someone who does.

The cheque as it now stands is crossed *generally*, i.e., it will be paid to *any* banker who presents it. If desired, the words "& Co." may be added within the crossing (which is usually done, but is unnecessary) and the cheque is still crossed "generally," and therefore payable to *any* banker.

Now we add within the transverse lines the name of a bank, say the Bradford Old Bank :—

No. 15287.....

Manchester..... 27th August, 1897.

Yorksire and Durham Banking Company Limited.

Pay..... Messrs. James Stephens & Co. or Order

One hundred and fifty pounds ten shillings and sixpence.

£ 150 : 10 : 6

John Mitchell.

This constitutes a "special" crossing. The cheque must then be paid into the bank named, the banker on whom it is drawn being expected to see that the cheque comes through the bank named in the crossing, in this case the Bradford Old Bank.

As an additional security when sending a cheque by post, we may add within the transverse lines, under the name of the bank, the words "for account of payee," thus:—

No. 15287

Manchester, 27th August, 1897.

Yorkshire and Durham Banking Company Limited.

Pay Messrs. James Dickens & Co. or Order

One hundred and fifty pounds ten shillings and sixpence.

£ 150 : 10 : 6

BRADFORD OLD BANK
for account of payee.

John Mitchell.

This means that when the cheque is paid in to the Bradford Old Bank that bank must place the money to the credit of James Stephens & Co., who, of course, have an account with that bank, otherwise the cheque would not be so crossed. If a cheque crossed in this manner were lost or stolen, it would be of no use to anyone but the rightful owner. It is doubtful whether the words "for account of payee" have any legal force, but it is not likely that a banker would disregard them when used in this way.

In the case of a "special" crossing the parallel lines may be omitted, if desired, the name of a bank written across the face of a cheque (without the lines) being an effectual crossing. This is very seldom done.

The "crossing" is usually done by the drawer, but the *holder* of an uncrossed cheque has also the right to cross it either "generally" or "specially," *i.e.*, he may simply draw two parallel transverse lines across the cheque, thus making it payable to *any* banker, or he may draw the two lines and insert between them the name of his own or any other banker. He may also, if he wishes, add the words "for account of William Smith (*i.e.*, himself, or the person to whom he pays or remits the cheque), or simply "a/c William Smith," as explained above. He may also mark the cheque "not negotiable" if he wishes to do so. (The meaning of these words is explained further on.) When a cheque is crossed "generally" the holder has also the right to cross it "specially," that is, to insert the name of a banker, with or without the addition of the words, "not negotiable," "for account of William Smith," &c., in accordance with the above remarks.

Where a cheque is crossed specially to more than one banker (except when crossed by the collecting banker to another banker, as his agent, for collection) the banker on whom it is drawn will refuse payment. If, however, he pays the cheque, notwithstanding such crossing, he is liable to the true owner of the cheque for any loss he may sustain owing to the cheque having been so paid. The banker is also liable if he pays a cheque crossed "generally" otherwise than to a banker, or, if crossed "specially," otherwise than to the banker to whom it is crossed or his agent (another banker) for collection.

Doubts are sometimes expressed as to whether a cheque marked in the following manner is legally crossed or not:—

No. 15287

Leeds, 25th September, 1897.

Yorksire and Durham Banking Company Limited.

UNDER TEN POUNDS.

Pay *Wm. Johnson, Esq.,* or Order

Five pounds ten shillings and ninepence.

£ 5 : 10 : 9

John Smith.

There should be no doubt about the matter. The two parallel transverse lines constitute the crossing, and the cheque in the above case is therefore crossed "generally." The cheque would not, however, be crossed if the words "under ten pounds" alone were perforated or written across the cheque without the addition of the two parallel lines.

If a cheque is "crossed" by mistake, the drawer may cancel the crossing by writing the words "pay cash" across the face of the cheque, and adding his signature. Strictly speaking, this is not legal, but it is often done.

Not negotiable cheques.—Although it is a common practice to mark cheques "not negotiable," few persons clearly understand the exact significance of the words thus used, and fewer still are aware of their legal effect. Even some "authorities" on the subject have very hazy ideas about the matter. For instance, one writer states that to make a cheque "not negotiable" the name of some particular bank must be written between the "cross lines," and "it then becomes the business of that bank to cash the cheque, and to see that no one gets the money except the person whose name is written in the body of the cheque;" whilst another writer gravely informs us that "not negotiable means that it must be presented by the payee, but it seems to be of no practical effect." In the latter case the writer's statement is as faulty as his grammar, and in the former case the explanation is equally wrong.

Many persons, besides the writers quoted above, appear to be under the impression that when a cheque is marked "not negotiable" it must be paid into the bank immediately, and cannot legally be transferred to another party. It is not so. Such a cheque may be transferred, *i.e.*, "negotiated," as readily as if it did not bear these words, but the person who takes the cheque is supposed to know the risks he runs in doing so.

It must be admitted that these words are rather misleading. They were introduced into the Crossed Cheques Act, 1876 (now superseded by the Bills of Exchange Act, 1882) in order to protect the true owner of a cheque in case of theft, and not for the purpose of prohibiting negotiation.

To make a cheque "not negotiable," those words must be written on the cheque, two parallel lines being added, for example :—

No. 15287

Manchester,

1st October, 1897.

Yorkshire and Durham Banking Company Limited.

Pay

Messrs. Black & Brown

or Order

Five pounds three shillings and twopence.

£ 60 : 3 : 2

NOT NEGOTIABLE

Joseph Green.

The cheque is then, of course, "crossed," and will only be paid through a banker. If desired, the name of a bank may be inserted below the words "not negotiable," and the cheque will then be paid through that bank only, as described before.

The legal effect of the words "not negotiable," as laid down in the Bills of Exchange Act, 1882, is:—"Where a person takes a crossed cheque which bears on it the words "not negotiable," he shall not have and shall not be capable of giving a better title to the cheque than that which the person from whom he took it had." Put into plain language, this means that if such a cheque were lost or stolen, the person who cashed the cheque for the thief, and afterwards received the money through his banker, could be compelled to refund the amount to the rightful owner (*i.e.*, the person by whom the cheque was lost or from whom it was stolen), and this notwithstanding that the person who cashed the cheque did so in good faith, believing that he was dealing with the true owner."

For example—John Jones has a "non-negotiable" cheque sent to him. It is stolen from him and is given by the thief to Joseph Robinson, a shopkeeper, in exchange for goods purchased. Robinson passes it on to James Brown, in payment of a debt. Brown pays it into his banker, who receives payment from the banker on whom it is drawn. Jones (from whom the cheque was stolen), then ascertains that the cheque was paid in to the collecting banker by Brown, and calls upon Brown to refund the amount, which he does. Brown then goes to Robinson and recovers the money from him, but Robinson is unable to recover from the thief, as that individual has disappeared, and he therefore has to suffer the loss himself. Had the cheque been "open" or crossed generally, the loss in the above circumstances would have fallen upon Jones. The banker who pays (*i.e.*, the drawee), and the banker who receives payment *for a customer*, are protected by the Act, but a banker who takes such a cheque from a stranger (*i.e.*, from a person who is not a customer), is *not* protected, and would be liable to refund the amount as in the case of an ordinary individual.

The following example will perhaps explain more clearly the difference between an ordinary cheque and a "not negotiable" one:—Smith pays Jones a cheque to order, drawn by another person, and which has passed through several hands. Jones pays it to Robinson in settlement of an account. On presenting the cheque to the banker, Robinson is informed that payment has been stopped because

the cheque had been stolen. If Jones declines to refund the money, Robinson may sue either the drawer of the cheque, or Jones, or any other person who has endorsed it, as he thinks best. On the other hand, if the cheque had been crossed "not negotiable," and payment stopped in consequence of the theft, Robinson could sue neither the drawer nor any of the endorsers, but must look to Jones alone—i.e., the person from whom he received it. Jones could sue the person from whom *he* received the cheque, and this person could sue the next person, and so on until it came to the turn of the person who took the cheque from the thief, and that person would have to suffer the loss, because he had taken the cheque from someone who had no title to it.

Altering or Adding To the Crossing.—We mentioned above that it is illegal to obliterate or (except in certain cases) to add to or alter the "crossing" on a cheque. The exceptions referred to are as follows:—

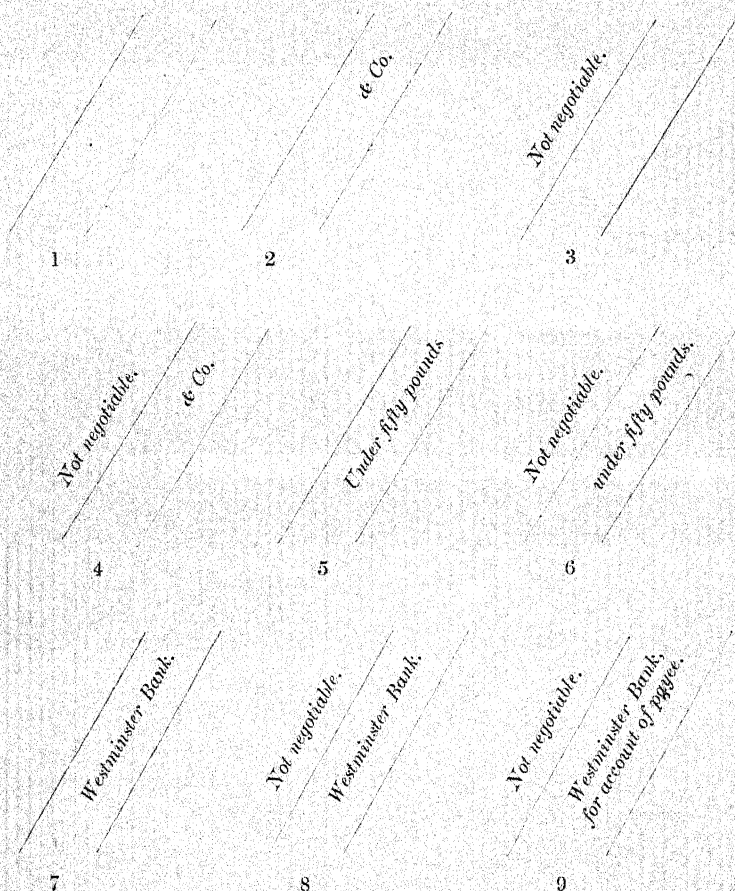
1. Where a cheque is crossed "generally," the holder may cross it "specially."
2. When a cheque is crossed "generally" or "specially," the holder may add the words "not negotiable."

It has been already pointed out that the holder of an *uncrossed* cheque may cross it either generally or specially.

Definition of General and Special Crossings.—It may be useful to give here the exact definition of (1) a general and (2) a special crossing. It is as follows:—

1. Where a cheque bears across its face an addition of—
 - (a) The words "and Company," or any abbreviation thereof, between two parallel transverse lines, either with or without the words "not negotiable"; or
 - (b) Two parallel lines simply, either with or without the words "not negotiable"; that addition constitutes a crossing, and the cheque is then crossed *generally*.
2. Where a cheque bears across its face an addition of the name of a banker, either with or without the words "not negotiable," that addition constitutes a crossing, and the cheque is crossed *specialty* to that banker.

The following diagrams show the various methods of crossing cheques :—



Nos. 1 to 6 are "general" crossings; Nos. 7, 8, and 9, are "special" crossings.

Presentment for Payment.—A cheque must be presented for payment within a "reasonable time." If this is not done, the holder loses his claim against the drawer, if the bank on which the cheque is drawn should "suspend payment," or "fail," as it is generally

called. Reasonable time is defined to mean not later than the day following the receipt of the cheque. The following is a newspaper report of an interesting case on this point :—

In the City of London Court, a point of interest to all business men was decided by Mr. Commissioner Kerr in an action which was brought by a Publishing Company against the defendants, a London firm, to recover £5 on a cheque which had been given by them for the insertion of certain advertisements, and which had not been met. The plaintiff's case was that on February 7th, 1894, the defendants gave them a cheque for £5 on a London Bank, which was then carrying on business in the City. The following day they paid the cheque into their own bank, but it was returned with an intimation that the bank on which it was drawn had closed. As the plaintiffs had been unable to obtain payment of the cheque, they now sued the defendants upon it. Mr. Raymond, for the defendants, said the cheque was given to the plaintiffs on February 6th, and if it had been paid in that day there would have been money to meet it, as the bank was then carrying on business. The bank was not closed until the morning of February 9th, and, as the plaintiffs had been guilty of negligence in delaying the paying in of the cheque, they could not recover from the defendants upon it. There was plenty of money to meet the cheque if it had been paid in before the bank stopped payment. Mr. Commissioner Kerr said the plaintiffs could not get over the fact that they did not pay the cheque in at once, as they should have done. If it had been presented before the bank closed, the plaintiffs would have got their money. He must nonsuit the plaintiffs, and allow the defendants' costs.

Stopping Payment.—The drawer of a cheque may stop payment of it if for any reason he wishes to do so. To effect this he need only write to the banker on whom it is drawn, giving particulars of the cheque, and instructing him not to pay it. He need not give any reasons.

Payment of a cheque by the banker is stopped (1) by instructions from the drawer, (2) by notice of the drawer's death, (3) by notice of an act of bankruptcy.

CHAPTER XIX.

BILLS OF EXCHANGE.

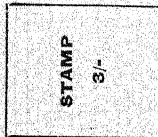
We mentioned in a previous chapter that money, in the form of either specie or bullion, was frequently shipped abroad in payment of debts contracted in foreign countries. This, however, as then stated, is a very cumbrous and comparatively expensive proceeding. The usual way of discharging such a debt is by means of a *Bill of Exchange*. These documents, however, are not confined to transactions with foreign countries, *i.e.*, to *international* trade; they are very largely used to discharge debts contracted within the limits of the United Kingdom, in fact, a very large proportion of all commercial business, both inland and foreign, is carried on by means of bills of exchange.

The use of these documents is of great antiquity, but they are said to have been first used in England in the year 1328. For some time, however, they were only permitted to be used for the purposes of foreign commerce.

In 1694 the Bank of England was established, and one of its objects was to deal in bills of exchange. Since that time bills of exchange have been extensively used, and numerous Acts of Parliament have been from time to time passed concerning these documents. In 1882, an Act called the *Bills of Exchange Act* was passed. This Act, which is still in force, consolidates all previous enactments on the subject, and embodies all previous judicial decisions and trade customs relating to bills of exchange and cheques.

In this Act a bill of exchange is defined as "an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at a fixed or determinable future time, a sum certain in money to or to the order of a specified person, or to bearer."

That definition will be readily understood from the following specimen of a bill of exchange:—



LD

269 " 7 " 6

Due 18

Leeds, 21st August, 1897.

Three months after date pay to our Order

Two hundred and sixty-nine pounds seven shillings

and sixpence.

Value received.

To Messrs. James Healey and Co.,

27, Bishopsgate Street,

London, E.C.

Wm. Smithson and Co.

In the terms of the definition in the Act, the above is (1) an "unconditional order," inasmuch as it simply "orders" James Healey & Co. to "pay"; (2) it is "addressed" by Wm. Smithson and Co. to James Healey & Co.; (3) it is signed by the person giving (or "drawing") it; (4) it requires James Healey & Co. to pay at a determinable future time—three months after the date, (5) a "sum certain," £269 7s. 6d., (6) to the order of William Smithson & Co. The words "value received," "value in account," "as advised," &c., are frequently inserted in a bill, as shown in the above example, but they are not really essential to the validity of an Inland bill, though it is desirable that some such words should be inserted in Foreign bills.

Bills of Exchange are usually said to be of two kinds, viz:—*Inland bills* and *Foreign bills*. In commercial matters, however, these terms are rarely used, each kind of bill coming under the generic term "bills," "drafts," or "acceptances." With one or two exceptions which will be referred to presently, there is practically no difference between an Inland and a Foreign bill, beyond the fact that in the one case the bill is both *drawn and payable* in the British Islands (including the Channel Islands and the Isle of Man), and in the other is either drawn *or* payable, or both drawn *and* payable, abroad.

The example given above is a specimen of an *Inland bill*, it being drawn and payable in England.

Here is a specimen of a *Foreign bill*:—

No. 912.	Due.....
£630 12s. 6d.	BOMBAY, 6th March, 1897.
At three months after sight of this our First of Exchange (second and third of same tenor and date being unpaid) pay to the order of Messrs. Grindlay, Groom & Co. six hundred and thirty pounds twelve shillings and sixpence sterling, as advised.	
TO THE LONDON & HANSEATIC BANK, LONDON.	Hunter, Grey & Co.
In need with Messrs. Marshall, Hunter & Co., Manchester.	

Bills drawn in India on Europe, and nearly all other Foreign bills which have a long journey to make, are drawn in duplicate or

triplicate, the wording of each being exactly the same except that the words *first*, *second*, and *third* are transposed as required, thus:—

First of Exchange	...	“Second and Third being unpaid.”
Second	„	“First and Third
Third	„	“First and Second

These two or three bills, as the case may be, are called a “set” of bills. When Foreign bills are drawn on demand the set usually consists of two bills—a first and a second; but when they are drawn payable some time ahead they are usually in sets of three—a first, a second, and a third. This is to prevent any inconvenience resulting in case the “first” be lost or delayed in transmission. The “first” is usually sent by the first mail, and the second and third by the following mail.

When one bill in the set is paid, the others of the set are void.

Before explaining the *uses* of bills of exchange, which will be dealt with further on, it is necessary to explain some points in connection with the documents themselves.

Stamp.—When drawing a bill the first thing to do is to see that it is properly stamped. All bills of exchange drawn in the United Kingdom otherwise than on demand must bear an *impressed* stamp, the value of which depends on the amount for which the bill is drawn. This stamp must be impressed on the document *before* it is signed; therefore, firms who are in the habit of drawing bills generally keep a stock of forms stamped ready for use.

The stamp duties payable are as follows:—

Bills payable on demand	...	...	...	...	...	...	1d.
Bills payable otherwise than on demand, under £5	...	...	...	...	...	...	1d.
“	“	“	“	over	£5 but under £10	...	2d.
“	“	“	“	“	£10	“	£25 ... 3d.
“	“	“	“	“	£25	“	£50 ... 6d.
“	“	“	“	“	£50	“	£75 ... 9d.
“	“	“	“	“	£75	“	£100 ... 1/-
Every additional £100 or fraction thereof	...	...	...	...	...	...	1/-

Every person who issues, endorses, transfers, negotiates, presents for payment, or pays any bill of exchange or promissory note liable to duty, and not being duly stamped, is liable to a penalty of £10;

and the person who receives in payment or as security an unstamped or insufficiently stamped bill or note, is not entitled to recover thereon, or to make the same available for any purpose whatever.

An unstamped bill or note drawn otherwise than on demand, cannot be stamped after execution on any account. A bill or note bearing a stamp of a wrong denomination (*e.g.*, a *deed* stamp instead of a *bill* stamp), may be stamped on payment of the deficient duty and a penalty of 40/- if the bill has not matured, and a penalty of £10 if it has matured. In bills drawn in sets of two or three, one of them must bear the whole of the stamp duty.

A bill drawn out of the United Kingdom (and also those drawn in the Channel Islands and the Isle of Man) and negotiated in the United Kingdom, must have an adhesive "Foreign bill stamp" affixed, of the same value as the stamp required on an "Inland bill." The person who first endorses or negotiates the bill in the United Kingdom must affix the stamp.

Date.—A bill should of course be dated. If, however, a bill happens to be issued undated it is not invalid, and any holder may insert the true date, or what he believes to be the true date, and the bill is then payable accordingly. Should a wrong date be inserted in good faith, the bill is payable as if that were the true date. A bill is not invalid by reason only that it is ante-dated or post-dated, or that it bears date on a Sunday.

Amount.—This should be expressed in words as well as in figures. When a bill is drawn and payable in the United Kingdom, it is, of course, always drawn in pounds, shillings and pence, but in bills drawn in one country and payable in another, it is usual to draw in the currency of the country where the bill is payable; *e.g.*, a bill drawn in Italy, payable in London, would usually be expressed in English currency, whilst a bill drawn in England, payable in Milan, would be in Italian currency. Where a bill is drawn out of, but payable in, the United Kingdom, and the sum is not expressed in English currency, the amount, in the absence of any express stipulation, is calculated according to the rate of exchange for short drafts at the place of payment on the day the bill is payable. Bills are frequently drawn on India in sterling "exchange as per endorsement."

Where the sum payable is expressed in words and also in figures, and there is a discrepancy between the two, the sum denoted by the words is the amount payable.

The parties to a bill.—These are the drawer, the drawee, and the payee. Sometimes the drawer and the payee are the same persons, as in the first example above given.

The *drawer* is the person who draws—i.e., writes out and signs—the bill.

The *drawee* is the person on whom it is drawn, i.e., to whom the bill is addressed.

The *payee* is the person to whom (or to whose order) the money is payable. A bill is said to be "in favour of" the person named as payee.

There is generally a fourth party, called the *endorser*. Endorsements will be dealt with presently.

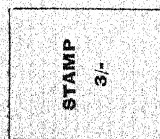
The drawer must sign his name at the bottom of the bill on the right-hand side, and should give the name and address of the drawee at the left-hand bottom corner.

A bill may be drawn on two or more parties, whether they are partners or not; but an order addressed to two drawees *in the alternative*, or to two or more drawees *in succession*, is not a Bill of Exchange.

A bill may be made payable to two or more payees jointly, or it may be made payable in the alternative to one of two, or one or some of several payees. A bill may also be made payable to the holder of an office for the time being, e.g., "The Treasurer, Royal Infirmary, Leeds." "The Secretary, London Chamber of Commerce," etc.

When a bill contains words prohibiting transfer, or indicating an intention that it should not be transferable, it is valid as between the parties thereto, but is not negotiable.

Acceptance.—When a bill is drawn otherwise than on demand, it is presented to the drawee, who, if the document is in order, *accepts* it, i.e., engages to pay it at maturity. This is done by writing or stamping across the bill (in blue ink usually) the word "accepted," followed by the bank at which the bill is made payable (if it is made payable at a bank) and the signature, as in the following example:—



D

269 " 7 "

Co.

Due

18

Leeds, 21st August, 1897.

Three months after date

pay to our Order

ACCEPTED

PAYABLE AT

Two hundred and

nine pounds seven shillings

and sixpence.

Value received.

To Messrs. James Healey and Co.

27, Bishopsgate, Street,

London, E.C.

Wm. Smilson and Co.

The mere signature of the drawee, on the bill, without additional words, constitutes an "acceptance."

When a bill is "accepted," the person on whom it is drawn is called the *acceptor*, and the bill is then called an *acceptance*.

Where part of the acceptance is that the bill is payable at such and such a bank, as in the above case, the bill is said to be "domiciled" at that bank. The bill, when due, must be presented for payment at the bank named—not at the drawee's address.

Where no banker is named in the acceptance, the bill must be presented to the drawee at his own address.

When a drawee makes his acceptances payable at his banker's, he usually sends to the banker an *advice slip*, at the end of each month generally, specifying all the acceptances payable during the following month, and requesting him to pay them, thus :—

Bills to be retired at the London & Liverpool Bank, Limited, London.

Acceptor.	Drawer.	Date of Bill.	Term.	When Due.	Amount.		
					£	s.	d.
John Wilson & Co. ..	Wm. Allen & Sons ..	July 9th	1 m/d	Aug. 12th	53	2	6
" " ..	Drayson & Briggs ..	May 14th	3 m/s	" 17th	75	0	0
" " ..	Graham, Darlow & Co. ..	" 20th	"	" 23rd	124	3	9
" " ..	Nightingale & Morris ..	" 27th	fixed	" 27th	56	7	3

Please retire the Bills above specified, and charge the amount to the debit of

JOHN WILSON & CO.

London, 30th July, 1897

An acceptance may be general or qualified.

A *general* or "clean" acceptance is when the drawee accepts the bill without any qualification.

A qualified acceptance in express terms varies the effect of the bill as drawn, and may be either :

1. Conditional, making payment dependent on the fulfilment of a stated condition, such as the surrender of the shipping documents against which the bill is drawn.
2. Partial, agreeing to pay only a portion of the amount.

3. Local, agreeing to pay only at a specified place.
4. Qualified as to time, *i.e.*, accepted at a longer or shorter time than that mentioned in the Bill.
5. Qualified as to the parties, *i.e.*, accepted in favour of only one or more (not all) of the drawers.

These qualified acceptances are seldom made use of. The holder of a bill may refuse to take a qualified acceptance, and if unable to obtain a clean acceptance, may treat the bill as dishonoured by non-acceptance. An acceptance, "payable at such and such a bank," is held to be a "general" acceptance; if payable at "such and such a bank *only*" it would be a *qualified* acceptance.

When a bill is drawn at so many days or months after *date* it is immaterial, so far as the due date is concerned, whether the bill be presented for acceptance to-day or to-morrow or next week; but it is very different with a bill drawn at so many days or months after *sight*. In the latter case the time only begins to run from the date of acceptance; therefore, the longer acceptance is deferred the longer the bill will be in arriving at maturity, and the holder thus loses interest for every day he defers procuring acceptance. *All bills* (except, of course, those payable on demand), whether payable after date or after sight, should be presented for acceptance without any delay whatever, because (1) a bill is of no value as a negotiable instrument until it is accepted; (2) unreasonable delay in presenting for acceptance might discharge the drawer and endorsers (other than the holder) in the event of the drawee becoming bankrupt; whilst (3) in the case of "sight" drafts, it is impossible to compute the due date until the bill has been accepted.

The date when a bill "after *sight*" is accepted must always be inserted; in a bill "after *date*" this is immaterial.

When a bill is drawn in a set of two or more, care should be taken to write the acceptance on only one part of the set. If the drawee accepts more than one part, and such accepted parts get into the hands of different holders in due course, he is liable on every such part as if it were a separate bill.

The liabilities of the parties, according to the Bill of Exchange Act, are as follows:—

The *drawer* of a bill, by drawing it, engages that, on due presentment, it shall be accepted and paid according to its terms, and that if it be dishonoured he will compensate the holder or any endorser who is compelled to pay it, provided that the requisite proceedings on dishonour be duly taken.

The *acceptor* of a bill, by accepting it, engages that he will pay it according to the terms of his acceptance.

The *endorser* of a bill engages that, on due presentment, it shall be accepted (if that has not been already done) and paid according to its tenor, and that if it be dishonoured he will compensate the holder or a subsequent endorser who is compelled to pay it, provided the requisite proceedings on dishonour be duly taken.

The currency of the bill.—The currency of the bill (*i.e.*, the period of time which intervenes between the date of drawing or sighting and the date when the money is to be paid), may be expressed in various ways, *viz.* :—

On demand.

At sight, which is equivalent to “on demand.”

At presentation, which is equivalent to “on demand.” (In these cases “acceptance” is unnecessary, as the bill is, of course, paid on presentation to the drawee.)

Fixed time—say “16th June next.” (Bills are frequently drawn in this way on the Continent, but it is not usual in England.)

So many *months (or days) after date* (*i.e.*, from the date of the bill).

So many *months (or days) after sight* (*i.e.*, from the date of “sighting,” meaning the date the bill is presented for acceptance). Legally, however, the time only begins to run from the date of acceptance, if the bill be accepted, or from the date of noting or protest, if the bill be noted or protested for non-acceptance.

The term *month* in a bill means calendar month. When drawn upon the last day of a month, the last day of the first, second, third, or other succeeding month is taken in calculating the due date, except when such succeeding month is longer (see third example below).

Thus, the term *three months' date* in a bill drawn on

May 15th	would mean August 15th.
June 30th	„ September 30th.
September 30th	„ December 30th.
November 30th	„ February 28th (or 29th in leap year).
January 31st	„ April 30th.

When calculating the due date of a bill (except it be on demand, at sight, at presentation, or at a fixed date), another factor has to be taken into consideration, besides the period of time indicated by the bill itself, and that is the

Days of Grace.—In most countries a certain number of days over and above the time expressed in the bill are allowed the drawee (*i.e.*, they are added to the term of the bill). The number of days varies in different countries, but in the United Kingdom the number of days of grace allowed in every case (except those mentioned above) is *three*. These days of grace are mentioned in the Bills of Exchange Act, and are, therefore, legally enforceable.

Where a bill is drawn at so many "*days after sight*," or "*days after date*," the time of payment (or "*due date*," as it is called) is determined by excluding the day from which the time is to begin to run, and by including the day of payment. Thus, a draft at "*thirty days' sight*," accepted on 25th July, would be due 27th August (*viz.*, 6 days in July, 24 in August, and 3 days of grace).

The following examples will show how the due date is computed :—

30 days' sight	from January 31st	=	March 5th (leap year, March 4th).
60 ,,	,, March 5th	=	May 7th.
3 months' date	,, May 7th	=	August 10th.
3 ,, sight	,, March 31st	=	July 3rd.
6 ,, date	,, April 30th	=	November 2nd.
30th June next	... ..	=	July 3rd.
28th August next	<i>fixed</i>	=	August 28th.

When the last day of grace falls on Sunday, Christmas Day, Good Friday, or a day appointed by Royal Proclamation as a Public Fast or Thanksgiving Day, the bill is due and payable on the *preceding* business day. When the last day of grace is a Bank Holiday (other than Christmas Day or Good Friday) under the Bank Holidays Act, 1871, or any Act amending or extending that Act, or when the last day of grace is a Sunday and the second day of grace is a Bank Holiday, the bill is due and payable on the *succeeding* business day.

In commercial parlance, bills are usually divided into two categories, viz., *short bills* and *long bills*. Short bills are such as have only a month or so to run before reaching maturity (*i.e.*, the date when the bill matures or is payable); long bills are such as have a longer time to run—usually three, four, or six months.

Usance.—There is a term sometimes used in connection with bills of exchange which needs a short explanation, viz., *Usance*. This really means “usual or customary time,” *i.e.*, if a bill be drawn “at usance,” the period is the time for which bills are usually drawn at the place where the bill is drawn. Bills drawn in the United Kingdom are rarely, if ever, payable “at usance,” but bills are so drawn occasionally on the Continent. The tendency nowadays, however, is to abolish all these ambiguous terms, and state definitely in the bill the period for which it is to run.

The following are the customary abbreviations used in connection with bills of exchange :—

B/E,	meaning	Bill of Exchange.
Bs/E,	„	Bills „
Dft,	„	Draft.
D/D,	„	Draft on Demand.
d/d,	„	days after date, as 30 d/d.
m/d,	„	months after date, as 3 m/d.
d/s,	„	days after sight, as 60 d/s.
m/s,	„	months after sight, as 3 m/s.
o/,	„	“to the order of,” or “in favour of.”
B/P	„	Bills payable.
B/R	„	Bills receivable.
D/A	„	Documents attached (or Documents for acceptance).
P/N	„	Promissory note.

We now come to one of the most important points in connection with bills of exchange, and that is the

Endorsement.—Nearly all bills, whether long or short, are drawn payable “to so and so *or order*.” This means that the person or firm named in the bill as the payee may himself receive the money when due, or may, by an order written on the back of the bill, instruct the drawee to pay some other person. When the payee

or other person in possession of the bill (technically termed the *holder*) writes this order on the back of the bill, he is said to *endorse* the bill. Bills drawn payable to *bearer* can be transferred from one party to another without endorsement, but those payable to "order" are not transferable except by endorsement.

Now it is extremely important to bear in mind the liability attaching to every person who signs his name on the back of a bill. Should the drawer or the acceptor refuse or fail to pay the bill at maturity, *any endorser is liable to be called upon to pay the amount*. According to the Bills of Exchange Act, the endorser of a bill, by endorsing it, engages that on due presentment it shall be accepted and paid according to its tenor, and that if it be dishonoured he will compensate the holder or a subsequent endorser who is compelled to pay it, provided the requisite proceedings on dishonour be duly taken. An endorser is only liable to *subsequent* endorsers, not to those persons whose endorsement appears on the bill before his. There is, however, one way by which a person may endorse a bill without incurring responsibility, and that is by adding to his endorsement the words "without recourse to me," or "*sans recours*." This is usually done when one party endorses the bill as agent for another.

There are two kinds of endorsement, viz., *special* and *general*, or, as they are usually called, "an endorsement in full," and "a blank endorsement." The special endorsement is usually thus:—

Pay Messrs. Martin Wood & Co., or order

W. & A. Grayson & Co.

A blank endorsement is, as its name implies, an endorsement with the name of the payee or endorsee left blank, thus:—

W. & A. Grayson & Co.

The holder of a bill endorsed in blank can, if he wishes, make the bill payable to whoever he likes by writing the necessary words above the endorser's signature, or he may transfer the bill as it is with the endorsement still in blank. This is very often done, as the person thus transferring the bill escapes all responsibility; he cannot be called upon to pay a bill that has passed through his hands unless he has put his name to it. A bill endorsed in blank becomes practically a bill "to bearer."

The further transference of a bill, *i.e.*, the further negotiation of it, may be prevented by such an endorsement as this :—

Pay Messrs. Martin Wood & Co., only

or

Pay Messrs. Martin Wood & Co., and no one else.

This is called a *restrictive* endorsement. It is frequently done on a cheque, but seldom on a bill, as it destroys the essential feature of a bill, *viz.*, its negotiability.

Another restrictive endorsement commonly used is "Pay the Yorkshire and Durham Bank for collection," or "for our account."

It will be noted that the specimens of bills given above are all made out to *order*, the effect of which is that before the bill can be negotiated, *i.e.*, sold or paid away to another person, it must be *endorsed*.

The negotiation of a bill may be prevented by leaving out the word "*order*," and making the bill payable only to the person named, thus :—

MANCHESTER, 26th June, 1897.

(2/- stamp).

£150 6s. 3d.

Three months after date pay to *Messrs. Johnson, Small & Co. only*, the sum of one hundred and fifty pounds six shillings and threepence, for value received.

Williams & Sons.

MESSRS. STEPHEN JONES & Co.,
32, Leadenhall Street,
BIRMINGHAM.

This is very rarely done however; in fact, it would defeat the main object of drawing the bill, as it would prevent the payee from raising money on it.

If the above bill were made payable to "Messrs. Johnson, Small & Co.," without the words "*or order*," it would be treated as payable to themselves or order.

A bill is sometimes, but very rarely, drawn payable "to so and so or *bearer*." In this case the bill is negotiable without endorsement.

Signing bills.—When a person signs a bill on behalf of a principal or company, &c., whether as drawer, acceptor, or endorser, he should take care to make it clear that he does so *on behalf* of the company, &c., and should sign in such a manner that he cannot be held personally liable. He should sign "for," or "per pro," or "for and on behalf of" the company or principal, thus:—

for and on behalf of
the Chiswick Brick Company, Limited,
 JAMES WILLIAMSON,
Director.

If the signature were as follows:—

JAMES WILLIAMSON,
Director,
Chiswick Brick Company, Limited,

the person so signing might be held personally liable. The mere addition to the signature of such words as chairman, director, secretary, agent, &c., of the company (as in the latter example above) might be held to be a mere description of the person signing, and would be of as little avail to bind the company, as if he had signed clerk, office boy, F.R.G.S., or any other descriptive words. These remarks also apply to the signing of promissory notes, cheques, &c.

Case of Need.—You will probably require an explanation of the words at the foot of the Foreign bill given at the beginning of this chapter, viz., "in need with Marshall, Hunter & Co., Manchester." These words, or others to the same effect, appear on nearly all Foreign bills. When there are several endorsements a bill will sometimes have two or three of these memoranda, sometimes thus: "in need with James Thompson and Co., London, for honour of W. Brown and Co." (one of the endorsers). The meaning of this is that in case the drawee should refuse to accept or fail to pay the bill, the holder can apply to the firm named in "case of need," who will either accept or pay, as the case may be, for honour of the firm stated. (*See Dishonour.*)

Advising drafts.—When a bill is drawn, immediate advice should be sent to the drawee by the drawer. In the case of the Inland bill already given, the advice might be worded thus :—

Leeds, 24th August, 1897.

Messrs. JAMES HEALEY & CO.,
London.

Dear Sirs,

We have the pleasure to hand you herewith Invoice for Goods despatched to-day, against which we have drawn upon you, as arranged, by our draft, No. 78, £269 7s. 6d., at 3 m/d. order ourselves.

We enclose the draft herewith, and shall feel obliged by your returning the same to us, duly accepted.

We are, Dear Sirs,

Yours faithfully,

WM. SMITHSON & CO.

Very often a bill is not forwarded to the drawee with the advice (as in the above case), but is paid into a bank or transferred to another person. The banker or other holder then forwards it for acceptance. In this case the advice of the draft might be worded as follows :—

Leeds, 24th August, 1897.

Messrs. JAMES HEALEY & CO.,
London.

Dear Sirs,

We have the pleasure to hand you herewith Invoice for Goods despatched to-day, against which we have drawn on you, as arranged, by our draft, No. 78, £269 7s. 6d., at 3 m/d. order ourselves, which kindly protect on presentation.

We are, Dear Sirs,

Yours faithfully,

WM. SMITHSON & CO.

In the case of the Foreign bill, the advice received by the drawee would probably be similar to the following. Very often

these advices are on a printed or lithographed form, which only requires the blanks filling in:—

BOMBAY, 6th March, 1897.

MESSRS. WALKER, McDOWELL & Co.,
LONDON.

DEAR SIRS,

Confirming our respects dated 17th ult., we now beg to advise having valued upon your good selves by order and for account of *Messrs. Lapis & Co., Milan*, the following draft:—

No. 912, £630 12s. 6d., at 3 m/s. order Grindlay, Groom & Co.

We enclose one copy of the bill of lading for the goods against which this draft is drawn; duplicate and triplicate of the same will follow by next mail.

Recommending our draft to your kind protection,

We are, dear Sirs,

Yours faithfully,

G. PARKER & Co.

When a bill is received from a customer, the first thing to do is to get it accepted, if that has not been done already. If the drawee is in the same town as the holder, the bill is left at the drawee's address, with a memo. attached stating by whom it is left. It is called for on the following day.

When the bill is drawn on a firm carrying on business in another town, the bill is forwarded to them for acceptance with a letter frequently written in this form:—

BRADFORD, 27th Oct., 1897.

MESSRS. J. A. GILL & Co.,
CLECKHEATON,

DEAR SIRS,

We beg to enclose a draft on your goodselves at 3 m/d for £269 7s. 6d., which we will thank you to accept and return to us in due course, made payable in London.

Yours faithfully,

AMOS FLETCHER & Co.

Very frequently the bill is forwarded to another firm in the same town to procure acceptance. An addressed stamped envelope should always be enclosed in either case.

Bills for acceptance.—Bills received as remittances are, as you know, entered in a book called the "Bill Book" or "Bills Receivable Book," whilst bills drawn on and accepted by the firm are entered in a book called the "Bills Payable Book." Firms who frequently receive from other firms bills to which they are asked to procure acceptance, keep a third book, viz., the "Bills for Acceptance Book," in which particulars of these bills are entered, including the date of receipt and the date returned or otherwise disposed of.

Sets and Copies of Bills.—We have already explained that Foreign bills are usually drawn in sets of two or three. The bills in the set are not called "copies," but 1st, 2nd, and 3rd, as the case may be, or sometimes "vias." A "copy" is another matter entirely, as will be explained immediately.

• When a bill is drawn in a set of two or three, it is usual to send one of the parts or vias, generally the "first," to a correspondent in the place on which the bill is drawn, to procure acceptance to it, the other part or parts being retained for negotiation. In such a case it is usual to state on the part that is negotiated "first for acceptance with Messrs. So-and-So," or words to that effect. The party holding the endorsed part applies to the firm named for the accepted "first," which is delivered to him on production of the endorsed part. This is attached to the other part, and the two together then pass from hand to hand in the course of negotiation.

It frequently happens, however, that the bill is a "sola" or "sole" bill, i.e., that there is only *one* part. In such a case the holder would lose several days if he had to wait until the bill had been accepted, and to obviate this he makes a *copy* of the bill, copying all the details exactly, and writing on the face of it the word "copy." If there are any endorsements these are also copied, after the last endorsement the words "thus far copy" being added. The original is then forwarded for acceptance, and the copy negotiated, just as in the case of the "first" and "second" just described. The acceptance is handed over to the holder of the copy on production of the latter.

Presentment for payment.—When a bill matures, *i.e.*, when its due date arrives, it must be presented to the acceptor, or to the banker named in the acceptance, for payment. If this is omitted, although the acceptor continues liable, all the other parties to the bill, *i.e.*, the drawer and the endorser, become discharged from liability should the acceptor fail to pay, and the loss would therefore fall on the holder.

Dishonour.—If a bill be not paid when presented at due date, it is said to be “dishonoured.” Immediate notice of dishonour must be given to the drawer and to each endorser. The usual practice is for the holder to notify the person from whom he received the bill, who will notify the party liable to him, and so on, each party being thus notified in turn. In order to retain his right to sue any of the parties the holder should, however, notify them all, for in the absence of notice of dishonour the drawer or any endorser is discharged from liability.

No form of notice is prescribed, and any notice will suffice which gives the necessary information. A letter similar to the following is all that is necessary :—

25, NORFOLK STREET,

MANCHESTER, 18th Sept., 1897.

Messrs. SWIFT & FIRTH,

13, WEST STREET, LIVERPOOL.

DEAR SIR,

We regret to have to inform you that the undernoted bill, which was duly presented to Messrs. Fielding, Peters & Co. for payment, has been dishonoured, and that we shall therefore look to you for payment.

We are, Dear Sir,

Yours faithfully,

B. TAYLOR & Co.

Date	...	14th June, 1897.
Amount	...	£254 3s. 6d.
Due	...	17th September, 1897.
Drawer	...	Stephenson & Scott, Bristol.
Drawee	...	Fielding, Peters & Co., London.
Endorsers	...	Stephenson & Scott, John Howell, C. P. Black & Co., and your- selves.

When an *Inland bill* is dishonoured it is usual to have it "noted," in addition to advising all the parties to it. Noting is simply a memorandum by a public notary, consisting of the date, his initials and charges, its object being to afford evidence that the bill has been duly presented. When a *Foreign bill* is dishonoured or refused acceptance it should be "protested," in order to retain the right to sue the drawer and endorsers. The "protest" should be made by a notary whenever possible, but in case a notary is not available, it can be made by a resident in the place, in presence of two witnesses.

The following is the legal form for this procedure:—

Know all men that I, *Jonathan Smith*, householder, of *Stowton*, in the County of *Blankshire*, in the United Kingdom, at the request of *William Jones*, there being no notary public available, did, on the *fourth* day of *September*, *1897*, at *Stowton*, demand payment (or acceptance) of the bill of exchange hereunder written from *John Robinson*, to which he made answer (*state answer, if any*); wherefore I now, in the presence of *George Brown* and *Thomas Black*, do protest the said bill of exchange.

Jonathan Smith.
Thomas Black, } Witnesses.
George Brown, }

N.B.—The bill itself should be annexed, or a copy of all that is written thereon should be written below the protest.

The words in italics in the above form must be altered to suit the circumstances, and a postage stamp or stamps to the value of 1/- must be affixed and cancelled.

Should a firm on whom a bill is drawn fail before the bill becomes due, the holder should have it noted or protested as soon as he becomes aware of the failure.

A bill may also be noted or protested for *non-acceptance* by the drawer as well as for non-payment, and in case of acceptance being refused, it is likewise necessary to give notice to all the parties to the bill.

In order to save the expense of re-drawing, &c., when the drawee of a *Foreign bill* refuses to accept, or, having accepted, suspends payment before the bill is due, it is customary to present

the bill to one of the firms named as the "case of need." This firm will then "accept for honour," as it is called, of the firm who authorizes them to do so, and they will ultimately pay the bill at maturity. It is not obligatory on them, however, to "accept." In any case the bill must be protested before the "case in need" will act.

To *negotiate* a bill is simply to transfer it to another party by endorsement, in exchange for its equivalent in money or goods.

To *protect* a bill is to provide funds for its payment, and to *take up* a bill is to pay it at maturity.

To *retire* a bill is to pay it when it becomes due. To *retire* a bill *under discount* is to pay it before it becomes due, the holder usually allowing a sum equivalent to the interest on the amount for the time the bill has still to run.

To *renew* a bill is to "accept" a new bill in place of a previous one which for some reason or other was not paid when due.

To *discount* a bill means that before the bill is due the holder sells it to a banker or one of the discounting houses, to whom he endorses it, and who at once pays him the amount, less a charge at so much per cent. per annum, called "discount," the rate varying more or less with the bank rate. This discount is calculated on the amount of the bill for the time the bill has to run. Strictly speaking, the amount received should be such a sum as at the specified rate of interest would produce at the due date the sum expressed in the bill, *i.e.*, the *true* discount should be allowed; *e.g.*, the holder of a bill for £103 due 12 months hence, discounted to-day at 3 per cent., ought to receive exactly £100, but as a matter of fact he would receive on such a bill only £99 18s. 2d., the discounter thus gaining an advantage of 1s. 10d. When a bill is discounted, all the parties to it, of course, continue liable.

Discount, therefore, is the charge made (for loss of interest) on paying at once money due a certain time hence.

Interest, on the other hand, is money paid for the use of money. Thus :—

	Discount.	Interest.
	£100 0 0	£100 0 0
3 months at	1 5 0	1 5 0
5 per cent.	<hr/> £98 15 0	<hr/> £101 5 0

The following is a simple method for calculating the interest for a number of days :—Multiply the principal by the days, then multiply the product by the rate per cent., and divide by 36,500. Thus, find the interest on £100 for 91 days at 3 per cent.

$$£100 \times 91 \times 3 \div 36,500 = 14s. 11\frac{1}{2}d.$$

In nearly all offices, books called "Interest Calculators" are to be found. These books contain tables showing the amount of interest on various sums of money at varying rates of interest, thus obviating the necessity of working out each calculation.

Advantages of Bills of Exchange.—Having now dealt somewhat fully with bills of exchange, it remains to explain the uses or advantages of these documents.

An accepted bill has these advantages :—

1. It fixes beyond dispute the amount owing and the time when the debt is to be paid, and affords a quicker legal remedy than an ordinary contract claim.
2. The bill is negotiable, *i.e.*, the debt may be assigned or transferred to another party, who may again transfer it, and so on, thus transferring value from one to another, without the actual transmission of money.
3. It may be discounted, thereby enabling a party to receive the money at once, and thus "anticipate the future," or keep his money constantly employed; whilst, on the other hand,
4. It enables a trader to obtain the use of the goods, and affords him an opportunity of manufacturing or reselling them, before payment becomes due; in other words, it enables him to obtain extended credit legitimately.

How money is remitted by Bills of Exchange.—Now, it is no doubt puzzling you to know how a merchant say in Bombay transmits to London, by means of a bill of exchange, money for goods sold on account of another merchant or a manufacturer in this country. In reality the operation is very simple. Reduced to its lowest terms, it may be explained this way. W. & A. Grayson & Co., Bombay, have sold on account of Williamson & Co., of Manchester, 10 bales of cotton goods, which realise say Rs.9,600, and they want to remit

this money to England. If there were no banks in the place they would go to the different firms who export produce from Bombay, and try to find one who was exporting goods to England of about the same value as the amount they want to remit. They find say that John Moore has shipped to London 100 bales of cotton, value Rs.9,600, for account of Messrs. Peterson & Co., of London. Now, if such a thing as a bill of exchange were unknown, Grayson & Co. would pay the money to Moore, who in exchange would give Grayson & Co. a letter addressed to Peterson & Co., London, requesting them to pay the money or its equivalent to Williamson & Co., Manchester, and thus the indebtedness of Grayson to Williamson and of Peterson to Moore would be discharged. Now, in effect that is exactly what takes place when bills of exchange are drawn, except that for mutual convenience the operation is conducted through a banker, who buys from one party and sells to the other. The importer and exporter, therefore, do not meet, and do not necessarily know that the money one wishes to remit is exchanged for the money the other has to draw. The bank in the one case sells at its selling or drawing rate, say $1\frac{1}{2}$, a bill on London for say £550—the equivalent of the amount Grayson wants to remit—and in the other case buys from Moore at the bank's buying rate, $1\frac{1}{2}\frac{1}{2}$, his draft on London for £550, paying him the equivalent in rupees. The difference between the buying rate and the selling rate is the *profit* the bank makes on the transaction. You will thus see that Moore's 100 bales of cotton are in effect exchanged for Williamson's ten bales of goods. The process is exactly the same when bills of exchange are drawn on London in France, Germany, and other countries. In effect, in international trade, goods are exchanged for goods, indirectly generally, and are not paid for in coin or bullion in each case. Although the imports into the United Kingdom last year amounted to £408,500,000 and the exports to £274,000,000, leaving a balance of £134,500,000 apparently due, we actually exported £6,300,000 more in specie than we imported. The reason for this will be explained in our next volume.

In a later lesson we hope to show you how these operations affect the rates of exchange between one country and another, but what has been already said on this subject is sufficient for our present purpose.

Before we leave the subject of bills, there are a few other kinds of bills about which it is necessary to say a few words.

Accommodation Bills.—These are bills drawn and accepted by persons who are not actually indebted to the drawers. They are simply an expedient for raising money. They are drawn in the same form as a bill representing a *bonâ fide* transaction, and they are not readily distinguished from *bonâ fide* bills. They are treated in every respect as other bills of exchange, except that when they are known to be accommodation bills they are neither taken so readily nor discounted so easily as *bonâ fide* bills.

A *Promissory Note* is an unconditional promise, in writing, made by one person to another, signed by the maker, engaging to pay on demand, or at a fixed or determinable future time, a sum certain in money to, or to the order of, a specified person or bearer. The person who draws the note is called the maker. A promissory note, of course, does not require "acceptance," but in other respects it is governed by much the same regulations as those for bills of exchange. The following is a form of promissory note:—

£25.

London, 22nd May, 1895.

Three months after date I promise to pay to Mr. John Wilson or order the sum of twenty-five pounds.

Wm. Northropp.

Sometimes two or more persons sign the note, and the note then runs "we jointly and severally promise to pay," but even if the words "jointly and severally" be omitted, the signers or makers are deemed to be jointly and severally responsible. If, however, the wording is that they "jointly" promise to pay, then payment can only be enforced from them jointly, not from any one of them, as in the other case.

You will notice the difference between a promissory note and a bill of exchange. A bill of exchange is drawn on, and payable by, someone else; a promissory note, on the other hand, is simply a promise to pay on the part of the maker.

A promissory note familiar to all of you is a Bank of England or other bank note. These notes are payable to bearer on demand, but do not, like other promissory notes, require a stamp, being exempt by Act of Parliament.

An *I.O.U.* is simply an acknowledgment of indebtedness, and is not a promise to pay. It is not negotiable, and requires no stamp. It usually runs thus:—

Mr. Wm. Johnson.

I. O. U.

Four pounds ten shillings.

London, September 28th, 1895.

Samuel Boswell.

The date is frequently omitted. Care must be taken not to insert any specified time of payment, otherwise it becomes a promissory note, and is then liable to stamp duty.

We have so far dealt with bills of exchange which are drawn unaccompanied by any other documents; these are called *clean bills*. There is another kind known as *documentary bills*. These have attached to them the bill of lading, export invoice, insurance policy, and other documents, but as we have not yet dealt with these documents, we leave the subject of documentary bills to a later opportunity.

Before finally leaving the question of exchange, it is perhaps desirable to explain two other modes of transmitting money, viz., *Council bills* and *telegraphic transfers*.

The first are bills drawn by the India Council, in London, on the Government of India. Up to about 20 years ago the India Council always drew on India by demand drafts, but since then they have sold both demand drafts (or "Council bills," as they are termed) and "telegraphic transfers," whichever might be required.

The reason for drawing these bills is this. The Government of India has to pay to the British Government every year a sum of something like 17 or 18 millions sterling, for interest on debts contracted in England, pensions to retired civil and military officers, home charges for troops serving in India, and the purchase of stores, &c. The revenues of the Indian Government are, of course, received in silver, i.e., rupees, and the money is kept at the three principal treasuries in India, viz., Bombay, Calcutta, and Madras. This silver

has to be converted into gold, in order to pay India's gold debts, and the readiest way of doing this is for the Government of India to sell its drafts in London, where it receives gold for an equivalent amount in rupees, payable in India.

The way this is done is as follows:—The Secretary of State for India is advised from India that there is such and such an amount in the treasury available for remittance or ready for drawing upon. Thereupon the Secretary of State advertises that he is prepared to receive tenders for so many lacs of rupees. On the appointed day (Wednesday in each week) the tenders are opened. Tenders at or above the rate which the Secretary of State had decided was the rate for the day are accepted in full, whilst tenders below that rate are only partially accepted. The following extract from the "Times" contains the announcement of the sales for the day:—

Remittances on India for Rs. 50,00,000 were offered for tender to-day by the India Council, and applications for Rs. 62,80,000, all in bills, were received at prices ranging from ls. 1 15/16d to ls. 1 31/32d. The following amounts in bills were allotted, viz., Rs. 21,70,000 on Calcutta and Rs. 4,64,000 on Madras, at an average of ls. 1 937d.; and Rs. 23,66,000 on Bombay, at an average of ls. 1 945d. Tenders at ls. 1 15/16d. will receive about 77 per cent., and above in full. Later the Council sold bills for Rs. 10,000 on Bombay at ls. 2d. Last week bills and telegraphic transfers for Rs. 50,00,000 were sold for £292,345; while from April 1st to last night remittances for Rs. 24,46,24,817 were disposed of, and realized £13,730,664. Next week 50 lakhs will again be offered.

This almost explains itself. You will see that that week no telegraphic transfers were sold. The Council bills are simply bills on demand drawn by the Secretary of State for India on the Government Treasuries at Bombay, Calcutta, or Madras. A telegraphic transfer means that the Secretary of State telegraphs to the Government Treasury concerned to pay a certain bank or firm (the nominee of the purchasers of the transfer) so many rupees.

The peculiar division of the figures representing rupees, requires some explanation, perhaps.

In India, the name for the number 100,000 (whether applied to rupees, people, or anything else) is "lac," or, as it is generally written, "lakh." Thus, 125,000 would be called "one lac twenty-five thousand," and would be expressed in figures thus, 1,25,000. A "crore" is a hundred lacs, equal to ten millions, therefore the number 22,125,000 would be divided thus, 2,21,25,000, meaning "two crores, twenty-one lacs, twenty-five thousand."

Telegraphic transfers are not confined to the dealings of the Government of India. They are largely used between one bank and another, or one firm and another, carrying on business in different parts of the world. The "modus operandi" is in each case the same. The person who wishes to remit goes to a bank which has a branch or an agent at the place to which he desires to remit, and all he has to do is to give the necessary instructions, and pay the equivalent of the amount at the current rate of exchange, plus cost of telegraphing. The telegraphing is, of course, done by a code, and is usually done in three words (exclusive of the address of the telegram). By this means money is transferred at once, thus obviating the delay caused by the transmission of a bill of exchange or Council bill by post. The usual abbreviation for the term telegraphic transfer is "T.T."

A Letter of Credit.—This is simply a letter written by a person, a firm, or, more usually, a banker in one place (say London), addressed to another person, firm, or banker in a distant place (say Rome), requesting the latter to hold at the disposal of the person named in the letter a sum of money up to a certain fixed amount. Very often a stated time is named, during which the letter is to remain in force.

It is not an order, but a *request*, to pay, and is therefore not a bill of exchange. It is not transferable by endorsement, nor can it be protested for non-payment.

The documents are used chiefly by persons travelling abroad, to enable them to supply themselves with funds, as required, thus obviating the trouble and risk of carrying cash from one place to another.

Very often a single letter of credit is addressed to several parties residing or carrying on business at different places, thus enabling the person accredited to obtain the whole of the amount at any one of the places named, or part of the sum at any or each place. This is called a *circular letter of credit*. When a payment is made against a circular letter of credit, the person making the payment endorses on the back of the document the amount paid, and each subsequent payer does the same until the credit is exhausted. The person in whose favour the credit is granted is usually charged a commission for the accommodation.

This is a specimen of an ordinary *letter of credit*. :—

LIVERPOOL, 27th August, 1897.

MESSRS. BROWN, STEWART & Co.,
NEW YORK.

DEAR SIRS,

With these lines we beg to introduce to you Mr. William Broadhurst, of Manchester, who is visiting your city on private affairs.

We shall feel obliged by your holding at Mr. Broadhurst's disposal the sum of two hundred dollars, as he may require it, debiting the sums paid to our account with you, under advice.

We append a specimen of Mr. Broadhurst's signature,

And remain, dear Sirs,

Yours faithfully,

GREENWOOD & Co.

WM. BROADHURST.

When a letter of credit is issued, the person giving it should at the same time forward by post to the person to whom it is addressed a letter advising it, with full particulars, and to this letter should also be appended a specimen of the signature of the person accredited.

CHAPTER XX.

BUSINESS ABBREVIATIONS.

The following list comprises most of the abbreviations used in commercial affairs :—

A l.,	meaning First class (of ships).
A/c. or acc't.,	Account.
A/s.,	Account sale.
@,	At.
Amt.,	Amount.
Bls.,	Bales.
B/L.,	Bill of lading.
B.P.B.,	Bank post bill.
B/E.,	Bill of exchange.
B/P.,	Bills payable.
B/R.,	Bills receivable.
Chq.,	Cheque.
C.O.D.,	Collect on delivery.
C/P.,	Charter party.
Com.,	Commission.
Con., Contra.,	Against.
Cr.,	Credit, creditor.
Cs.,	Cases.
Dft.,	Draft.
Disct.,	Discount.
Debs.,	Debentures.
D/A.,	Document attached (or Documents for acceptance).
d/d.,	Days after date.
D/D.,	Demand draft.
d/s.,	Days after sight.
Do., ditto,	The same.
Dr.,	Debtor.
D/y.,	Delivery.
E. E.,	Errors excepted.
E. & O. E.,	Errors and omissions excepted.
Exch.,	Exchange.
Encl.,	Enclosure.
Ex.,	From ; out of.
e.g.,	For example.
Fcp.,	Foolscape.
F.O.B.,	Free on board.
Fo., fol.,	Folio.
F.A.S.,	Free alongside ship.
F'wd.	Forward.

F ^{rt} .,	meaning Freight.
F.P.A.,	Free of particular average.
G/A.,	General average.
H.M.C.,	Her Majesty's Customs.
Inst.,	Instant—the present month.
Int.,	Interest.
Insce.,	Insurance.
Inv.,	Invoice.
i.e. (id est)	That is.
In trans.,	On the passage.
In loco.,	In its place.
Kilos.	Kilogrammes.
L/C.,	Letter of credit.
Meast.,	Measurement.
Mo.,	Month.
m/d.,	Months after date.
m/s.,	Months after sight.
Memo.,	Memorandum.
MS.,	Manuscript. Plural MSS.
Nos.,	Numbers.
Net,	Without further reduction.
%.	Per cent.
‰.	Per mille.
Pcs.,	Pieces (of cloth).
P/Av.,	Particular average.
Pd.,	Paid.
Per pro., or p.p.,	Per procuration.
P.N.,	Promissory note.
P/A.,	Power of Attorney.
Prox.,	Proximo—next month.
pp.,	Pages.
Pro. tem.,	For the time being.
Payt.,	Payment.
Pkgs.,	Packages.
Per or ꝑ,	By.
Pro forma,	As a matter of form.
P.S.,	Postscript, written afterwards.
P.T.O.,	Please turn over.
Qr.,	Quarter.
Rect.,	Receipt.
Recd.,	Received.
Retd.,	Returned.
Stg.,	Sterling.
Ship't.,	Shipment.
Ult.,	Ultimo—last month.
Wt.,	Weight.
X.D.,	Without the dividend.
4to.,	Quarto.
8vo.,	Octavo.

SECTION 3.

IMPORTANT POSTAL MATTERS. ANNOTATED.

CHAPTER XXI.

INLAND LETTERS.

Inland letters, parcels, or other postal packets are those which pass between places in the United Kingdom, including the Isle of Man, the Orkney, Shetland, Scilly, and the Channel Islands.

The prepaid rate of postage is as follows:—

Not exceeding 4 oz. in weight ...	...	...	...	1d.
Exceeding 4 oz., but not exceeding 6 oz. ...	...	...	...	1½d.
„ 6 „ „ „ 8 „ „ „ „	...	...	...	2d.
„ 8 „ „ „ 10 „ „ „ „	...	...	...	2½d.
„ 10 „ „ „ 12 „ „ „ „	...	...	...	3d.
For every additional 2 oz. one halfpenny extra.				

A letter posted unpaid is chargeable on delivery with double postage; if insufficiently paid, with double the deficiency.

No letter may exceed 2 feet in length, 1 foot in width, or 1 foot in depth, unless it be sent to or from a Government office.

FOREIGN AND COLONIAL LETTERS.

The rate of postage to be prepaid in the United Kingdom on letters for all places abroad is:—

Not exceeding half an ounce ...	...	...	...	2½d.
Exceeding ½ oz., but not exceeding 1 oz. ...	...	...	...	5d.
„ 1 „ „ „ 1½ „ „ „ „	...	...	...	7½d.
„ 1½ „ „ „ 2 „ „ „ „	...	...	...	10d.
„ 2 „ „ „ 2½ „ „ „ „	...	...	...	12½d.
„ 2½ „ „ „ 3 „ „ „ „	...	...	...	15d.
„ 3 „ „ „ 3½ „ „ „ „	...	...	...	17½d.
For every additional ½ oz. one halfpenny extra.				

The regulations as to unpaid or insufficiently paid letters, and maximum dimensions, are the same as for inland letters. To certain countries, however (such as Abyssinia, Afghanistan, Arabia, Madagascar, Morocco, and certain other parts of Africa), prepayment is compulsory, otherwise, the letters are not forwarded. The safest—and, in fact, almost invariable, rule—is to prepay *all* letters.

BOOK POST.—INLAND.

Owing to the recent reductions in the postage on Inland letters, the so-called book post is useful only for circulars and other documents which will pass through the Post Office for a halfpenny.

Packets coming within the definition given below, and not exceeding 2 oz. in weight, may be sent for a postage of $\frac{1}{2}$ d., if the following conditions are complied with:—

- (a) A book packet must be posted either without wrapper (in which case it must not be fastened in any way) or in an unfastened envelope, or in a cover which can be easily removed for the purpose of examination without breaking any seal, or tearing any paper, or separating any adhering surfaces. If anything is written or printed on the inside of the wrapper, the wrapper must be left unfastened. It is not forbidden to tie the ends of a book packet with string, but the string should be easy to unfasten.
- (b) A book packet must not exceed 2 feet in length or 1 foot in breadth or depth.

If a packet complying with the book post regulations is posted unpaid, it will be charged double postage on delivery.

It is not permissible to enclose in a book packet a stamped proxy paper, or a stamped and addressed postcard, wrapper, or envelope.

Definition of a book packet.—The expression “book packet” means a packet which contains one or more of the following articles or documents, that is to say:—

- (a) Any matter wholly printed on paper or some substance ordinarily used for printing, with the exception of paper money.
- (b) Books and other publications or works of a literary character, and any other written or printed matter not being in the nature of a letter (on paper or on some substance ordinarily used for writing or printing).
- (c) Sketches, drawings, paintings, photographs, and engravings on paper or on some substance ordinarily used for the purpose, provided it is not a brittle or exceptionally fragile substance.
- (d) Maps, plans, and charts on paper or some other substance ordinarily used for the purpose, provided it is not a brittle or exceptionally fragile substance.
- (e) The binding or mounting of any article hereinbefore described, provided such binding or mounting be of a kind ordinarily used for the purpose, be not made of glass or any brittle or exceptionally fragile substance, and be transmitted in the same packet with the article in respect of which it is used.

The following documents, whether containing matter in the nature of a letter or not, are admissible by book post, provided they respectively conform to the following conditions :—

Description of Document.	Conditions.
(f) Invoices, orders for goods, advice notes, way bills, bills of lading, receipts, statements of account, prices current, market reports.	That nothing shall appear in writing on the documents save dates, the names and addresses of the parties, the particulars and prices of any goods, or the particulars of any sums of money to which the document relates, and the mode of consignment of any such goods or money. That any matter (other than aforesaid) which may be in the nature of a letter shall be wholly in print, and shall relate exclusively to the subject matter of the document, or the terms on which business is transacted by the person or firm from whom the document issues.
(g) Manuscript for press and printed proofs, with corrections and instructions.	That any written or printed matter not forming part of the document itself refer solely to the arrangement or correction of the type or the execution of the work.
(h) Examination papers, with corrections and instructions.	That any written or printed matter not forming part of the document itself refer solely to the questions put or the answers thereto.
(i) Circulars—that is, printed notices and printed letters, whether separate or on the same sheet of paper with any other document transmissible by book post.	That the circular may be corrected in writing. That the date of despatch and the name and address and description of the sender and the name of the addressee may be inserted in writing. That when the circular is a notice of meeting or appointment, the place, date and hour, and, in the case of a notice of meeting, the objects of the meeting may be inserted in writing. That when the circular is a polling card, the name and address of the voter and his number on the register may be inserted in writing.

Description of Document.	Conditions.
(j) Deeds, agreements, proposals and policies of assurance, powers of attorney, proxy papers, voting papers, certificates, licenses.	That nothing appear in the document in writing or print which does not form part of the document as a legal instrument.
(k) Notices, reports, returns, and certificates issued, made, or given by officers of a Court of Justice or other public officers in the discharge of their duties, and returns or reports made to public officers or public bodies.	That the document consist of a printed form. That any written matter on such document consist merely of information of statements appropriate to the form and necessary to the completion of the document.

- (l) Anything necessary or convenient for the safe transmission of any of the before-mentioned articles by post when transmitted in the same packet with the article in respect of which it is so used.

In the above definition,

Expressions referring to print or printing shall be taken to refer to any species of type-printing easy to recognise, and to include lithography, hand-stamping, or any mechanical process ordinarily used to produce a number of identical copies of written matter, and easy to recognise, but not to include typewriting or imitations thereof.

(Circulars which are in other respects admissible, but which are printed or lithographed in characters resembling those of the typewriter, or are produced by means of any mechanical process from type-written originals, will, nevertheless, be admitted to the privilege of the book rate provided that they are posted by being handed in at the counter of some head post office, or district or branch post office, that special attention is called to their nature, and that at least twenty copies precisely identical are posted at the same time. Sub-offices, including all post offices held at shops in London, are not available for posting circulars of this kind.)

Expressions referring to writing shall be taken to include type-writing, or any mechanical or other process ordinarily used to produce a single document.

The term "paper money" means :—

- (a) Notes of the Bank of England and Ireland, or of any bank of issue in the United Kingdom, and notes current in any foreign State or British possession.
- (b) Money orders and postal orders.
- (c) Unobliterated postage or revenue stamps, whether embossed or adhesive.
- (d) Exchequer bills, bank post bills, bills of exchange, promissory notes, cheques, credit-notes which entitle the holder to money or goods, and all orders and authorities for the payment of money, whether negotiable or not.
- (e) Bonds, coupons, and securities for money, whether negotiable or not.

Circulars should be tied in bundles, with all the addresses in one direction, and should be posted early in the day to secure due despatch.

FOREIGN AND COLONIAL BOOK POST.

The articles which are entitled to be sent at the rate applicable to *printed papers*, are mostly impressions or copies obtained upon paper, parchment, or cardboard, by means of printing, lithography, engraving, photography, or any other mechanical process easy to recognise. This description includes the under-mentioned articles wholly printed :—

Newspapers, books (stitched or bound), periodical works, pamphlets, sheets of music, visiting cards, address cards, proofs of printing, plans, maps, catalogues, prospectuses, announcements, circulars, notices, engravings, photographs, and designs.

Beside these articles, there are some others which are admitted, though not really printed matter, as, for instance, manuscript intended for the press (when sent with the proofs of the same), papers impressed for the use of the blind, and cardboard drawing models stamped in relief.

Anything, not being of glass, usually attached or appurtenant to any of the before-mentioned articles, in the way of binding, mounting, or otherwise, and anything convenient for their safe transmission by post, may also pass at the rate applicable to such articles, provided it is contained in the same packet.

Postage stamps, whether obliterated or not, and, in general, all printed articles constituting the sign of a monetary value, are excluded from transmission at the reduced rate of postage to countries of the Postal Union.

The products of the copying press and typewriter are not admitted at the rate for printed papers ; nor, as a rule, are printed papers the text of which has been modified after printing, either by hand or by means of a mechanical process, so as to constitute a conventional language. But the following exceptions are allowed :—

Printed circulars may be dated in manuscript or by a mechanical process, and the signature of the sender, his trade or profession, and his address may be added.

On printed visiting cards the address or title of the sender, or conventional initials, such as “ p.p.c.,” may be written.

On printed circulars, corrections and insertions may be made in manuscript or by a mechanical process in regard to names of commercial travellers, dates of their journey, dates of departure of ships, names of persons invited to meetings, and the place, date, and object of the meetings.

Printers’ proofs may be corrected in manuscript, printers’ errors in other printed documents may also be corrected, and figures may be inserted or corrected in prices current, stock and share lists, &c.

Books, papers, music, photographs, and engravings may have a dedication inscribed on them, and the invoice relating to them may be enclosed.

In orders for books printed on cards, the works required or offered may be indicated in manuscript.

Circulars which are in other respects admissible, but which are printed or lithographed in characters resembling those of the typewriter, or are produced by means of any mechanical process from typewritten originals, will be admitted to the privilege of the book rate, provided that they are posted by being handed in at the counter of some head post office, or district or branch post office, that special attention is called to their nature, and that at least twenty copies precisely identical are posted at the same time.

“*Commercial Papers*” comprise all papers or documents written or drawn wholly or partly by hand (except letters or communications in the nature of letters, or other papers or documents having the character of an actual and personal correspondence), documents of legal procedure, deeds drawn up by public functionaries, copies of or extracts from deeds under private seal (written on stamped or unstamped paper), way bills, bills of lading, invoices, and other documents of a mercantile character, documents of insurance, and other public companies, all kinds of manuscript music, the manuscript of books and other literary works, and other papers of a similar description.

Rate of Postage.—The rate of postage to be prepaid in the United Kingdom on printed papers and commercial papers for all places abroad is $\frac{1}{2}$ d. per 2 ozs.

N.B.—For commercial papers the lowest charge is $2\frac{1}{2}$ d., for which sum, however, a weight of 10 oz. may be sent. If there be any mixture of commercial and other papers in the same packet, the whole is treated as commercial papers.

Limits of Size and Weight.—The limits of size for packets addressed to British colonies or possessions, or to non-Union countries or colonies, are two feet in length by one foot in width or depth; but to foreign countries in the Postal Union the length is limited to 18 inches. If in the form of a roll, the limits of size in either case are 30 inches in length and 4 inches in diameter. The limits of weight are 5 lbs. for British colonies or possessions, and for non-Union countries or colonies, and 4 lbs. for foreign countries in the Postal Union.

Packets must be Sent Open.—Printed papers and commercial papers may be posted either without a cover (in which case they must not be fastened, whether by means of gum, wafer, sealing wax, postage stamp, or otherwise), or in any ordinary letter envelope left wholly unfastened, or a cover entirely open at both ends, so as to admit of the contents being easily withdrawn for examination. For the greater security of the contents, however, the packets may be tied at the ends with string, but the string must be easy to unfasten.

In order to secure the return of packets which cannot be delivered, the names and addresses of the senders should be printed or written outside, thus :—

“ From ———, of ———.”

In some countries books, periodicals, &c., are subject to Customs duties. Bound books sent to Portugal are liable on delivery to a fine, in addition to the duty, unless the wrappers containing them bear an indication of the contents, and the words “*à soumettre à la douane.*”

NEWSPAPERS.

The prepaid rate is as follows :—

Every registered newspaper, whether posted singly or with others in a packet, $\frac{1}{2}$ d.

A packet containing two or more registered newspapers, however, is not chargeable with a higher rate than would be chargeable on a book packet of the same weight.

A newspaper or a packet of newspapers posted unpaid is chargeable on delivery with double postage; if insufficiently paid, with double the deficiency.

Conditions to be observed.—Any publication fulfilling the subjoined conditions can, upon payment of any annual fee of 5s., be registered at the General Post Office for circulation within the United Kingdom as a newspaper.

- (a) The publication must consist wholly or in great part of political or other news, or of articles relating thereto, or to other current topics, with or without advertisements.
- (b) It must be printed and published in the United Kingdom, and in numbers at intervals of not more than seven days.
- (c) The full title and date of publication must be printed at the top of the first page, and the whole or part of the title, and the date, at the top of every subsequent page. This regulation applies also to "tables of contents" and "indexes."
- (d) A supplement must consist wholly or in great part of matter like that of a newspaper, or of advertisements, printed on a sheet or sheets or a piece or pieces of paper put together at some one part of the newspaper, whether gummed or stitched up with the newspaper or not; or it must consist wholly or in part of engravings, prints, or lithographs illustrative of articles in the paper. It must in every case be published with the paper, and have its title and date printed at the top of every page, except that any page, sheet, or side on which engravings, prints, or lithographs, illustrative of articles in the paper appear, need not be dated.

Every newspaper should be so folded and covered (if posted in a cover) as to permit the title to be readily inspected.

Every newspaper or packet of newspapers must be posted either without a cover or in a cover open at both ends, and so that the same can easily be removed for the purpose of examination.

No newspaper and no cover of a newspaper may bear anything (not being part of the newspaper) except the names and addresses of the sender and the addressee, a request for return in case of non-delivery, the title of the newspaper and a reference to any page of, or place in, the newspaper to which the attention of the addressee is directed.

No unregistered publication, and no article (unless it be a part or supplement of the newspaper) may be posted in the same cover with the newspaper.

In case any of the three last-mentioned rules is infringed, the newspaper packet is either charged as an insufficiently paid letter, or is transferred to the parcel post and charged with a fine of 1d. in addition to any deficient parcel postage, whichever charge is the lower.

A packet of newspapers must not weigh above 5 lbs., or exceed 2 feet in length, or 1 foot in width or depth.

PATTERNS AND SAMPLES.

The *Inland* pattern post has been abolished in consequence of the reduction in the letter rates of postage. Patterns and samples may now be sent by letter post as cheaply as they formerly could be sent by pattern post.

FOREIGN AND COLONIAL PATTERN AND SAMPLE POST.

The pattern and sample post to foreign countries and the colonies generally is restricted to *bona fide* trade patterns or samples of merchandise. Packets containing goods for sale, or in execution of an order (however small the quantity), or any articles from one private individual to another, which are not actually patterns or samples, cannot be forwarded by pattern post.

Rate of Postage.—The rate of postage to be prepaid in the United Kingdom is $\frac{1}{2}$ d. per 2 ozs., except that the lowest charge is 1d., for which sum, however, a weight of 4 ozs. may be sent.

Limits of Size and Weight.—The limit of weight for patterns or samples for British colonies or possessions, or for non-Union countries, is 5 lbs., but for the Argentine Republic, Austria, Belgium, Bolivia, Bulgaria, Congo Free State, Costa Rica, Dominican Republic, Ecuador, Egypt, France, Greece, Guatemala, Hawaii (or Sandwich Islands), Holland, Honduras Republic, Hungary, Italy, Japan, Liberia, Luxemburg, Mexico, Persia, Peru, Portugal, Roumania, Salvador, Servia, Siam, Spain, Switzerland, Tunis, United States, and Venezuela, the limit is 12 ozs., and for other countries of the Postal Union, 8 ozs.

A packet of patterns or samples sent to any British colony or possession or non-Union country, must not exceed 2 feet in length by 1 foot in width or depth, but to any foreign place comprised in the Postal Union, a packet must not exceed 12 inches in length, 8 in width, or 4 in depth, unless it be in the form of a roll, in which case the limit of size is 12 inches in length and 6 inches in diameter.

Mode of Packing and Addressing.—Patterns or samples must be sent in such a manner as to be easy of examination, and, when practicable, must be sent in covers open at the end. But samples of seeds, drugs, and such like articles, which cannot be sent in covers of this kind, may be posted enclosed in boxes, or in bags of linen or other material, fastened in such a manner that they may be readily opened. In order to secure the return of packets which cannot be delivered, the names and addresses of the senders should be printed or written outside, thus:—

“From ———, of ———.”

There must be no writing or printing upon, or in, any sample packet for non-Union countries, except the address of the person for whom it is intended, the address of the sender, a trade mark or number, the price of the articles, the weight or size, and the quantity to be disposed of, or such as may be necessary to indicate the place of origin, or the nature of the merchandise. A sample packet for a country in the Postal Union may contain, besides these particulars, any printed papers, and, if the rate applicable to commercial papers be paid, it may also contain commercial papers.

Must Not be of Saleable Value.—Samples of saleable value must not be sent to any foreign country, or to any of the British possessions which are comprised in the Postal Union. Samples of eider down, raw or thread silk, woollen or goats' hair thread, vanilla, isinglass, are considered to fall under this rule if they weigh more than three ounces, and samples of tea, if they weigh more than eight ounces.

Dangerous and Prohibited Articles.—Such articles as scissors, knives, razors, forks, steel pens, nails, keys, watch machinery, metal tubing, pieces of metal or ore, provided that they be packed and guarded in so secure a manner as to afford complete protection to the contents of the mail bag, and to the officers of the post office, while at the same time they may be easily examined, may be sent as samples to places abroad. Liquids, glass, anything of a greasy nature, explosives, indigo, and any powders or other substances likely to damage the correspondence, are absolutely prohibited.

No article liable to Customs duty can be sent as a pattern or sample.

PARCELS.

Inland.—A packet intended for transmission by parcel post must be handed in at a post office, and should have the words "Parcel Post" written or printed conspicuously on the left-hand top corner. The name and address of the sender should also appear on the cover, but in such a position as not to be mistaken for the address of the parcel. A letter intended for the same address as the parcel itself may be enclosed in a parcel.

The rates of postage are :—

					s.	d.
For a parcel not exceeding 1 lb. in weight	...	...	...	...	0	3
For a parcel exceeding 1 lb. in weight and not exceeding 2 lbs.					0	4
"	"	2 lbs.	"	"	3	0 5
"	"	3 "	"	"	4	0 6
"	"	4 "	"	"	5	0 7
"	"	5 "	"	"	6	0 8
"	"	6 "	"	"	7	0 9
"	"	7 "	"	"	8	0 10
"	"	8 "	"	"	9	0 11
"	"	9 "	"	"	11	1 0

The maximum weight allowed is 11 lbs.

Parcels must not exceed 3 ft. 6 in. in length, or 6 ft. in length and girth combined.

Postage must be prepaid by means of ordinary postage stamps, affixed, as in the case of a letter, on the right-hand top corner.

The rules as to registration and insurance of letters are applicable to parcels also.

Foreign and Colonial.—The limits of size and weight, as also the rates of postage, vary according to the country to which the parcel is sent. These must be ascertained by reference to the "British Post Office Guide."

Foreign and colonial parcels cannot be registered, but they may be insured to certain countries.

Parcels are subject to Customs regulations, and the sender of each parcel is required to make for Customs purposes—upon a special form or forms, which may be obtained at any post office—an accurate statement of the nature and value of the contents, and other particulars.

Two forms of Customs declaration are in use (except at a few offices):—

1. An adhesive form, intended to be affixed to the cover of the parcel, which is used with parcels for British colonies and possessions generally, and for Beyrout, Constantinople, Egypt, Jeddah, Hawaii, Mexico, Orange Free State, Siam, Smyrna, and the Transvaal; and
2. A form which is used with parcels for nearly all foreign countries. The latter form has in many cases to be made out in duplicate or triplicate (see Table on pages 409–425 of the Post Office Guide—columns headed "Customs Declaration Form"—in which the use of the adhesive form is indicated by "A," and of the non-adhesive form by "C"; the figure following "C" shows the number of such forms to be made out in each case). The forms for foreign parcels should, when possible, be filled up in both English and French.

When a non-adhesive form "C" is used, the sender must also fill up a despatch note, which is supplied at any post office in England and Wales, and at the more important offices in Scotland and Ireland. One despatch note and one set of Customs Declaration Forms "C" will suffice for two or three (not more) uninsured parcels from the same sender to the same addressee.

No letter, even if addressed in the same way as the parcel in which it is enclosed, may be sent in a parcel addressed to any foreign country, or to the Cape Colony and neighbouring parts of South Africa, Natal, Mauritius, Seychelles, the Australian colonies, Fiji, New Zealand, Jamaica, the Straits Settlements, or Trinidad. Parcels for other British possessions may contain a letter for the addressee. An invoice in an open envelope, giving simply particulars of the goods contained in the parcel, may be enclosed in any parcel.

A parcel for a foreign country must be so sealed by the sender that it cannot be opened without breaking the seals, or leaving an obvious trace of violation. The seals must bear the impression of a private mark of the sender.

The only foreign countries of any importance with which no parcel post is in operation are the United States of America and Russia. The British Government has repeatedly tried to establish such a service with the United States, but without success—owing, it is supposed, to the opposition of the great American carrying companies, who derive a lucrative business from carrying parcels. If a parcel has to be sent to the United States, the only way of doing so is by handing it to one of the parcel agencies, or by enclosing it in a package of goods. The rates by parcel agency are much higher than the ordinary foreign parcel post rates.

Before leaving this subject, it will be well to mention that there are other ways of sending *Inland* parcels than by parcel post. The post office has not the monopoly of the conveyance of parcels, as they have for letters, &c., and both the railways and private companies compete for the traffic.

A parcel sent by a railway company usually takes longer than by parcel post, but some of the railway companies have made special arrangements for parcels, and they undertake to forward them by certain trains for delivery the same day. Rates and other information may be obtained on application at the different railway stations.

POST CARDS.

Inland.—Official post cards, impressed with a halfpenny stamp, and official reply post cards, impressed with a halfpenny stamp on each portion of them, can be bought at every post office.

Nothing whatever may be attached, except adhesive stamps in payment of additional postage or stamp duty, and a gummed label (not to exceed 2 inches long and $\frac{3}{4}$ inch wide), bearing the address at which the card is to be delivered. The card may not be folded, nor may it be cut or altered in such a way as to reduce the size below $3\frac{1}{2}$ by $2\frac{1}{4}$ inches. The postage stamp also must be left intact. If any of these rules be infringed, the card is treated as a letter, liable on delivery to the usual charges.

Private cards, prepaid $\frac{1}{2}$ d. each, can also be used as post cards. They must be composed of ordinary cardboard, not thicker than the material used for the official post card. The maximum size must correspond as nearly as may be to the size of the Inland official card, and the minimum size must not be less than $3\frac{1}{4}$ by $2\frac{1}{4}$ inches. The rules in the preceding paragraph also apply to private cards. A private card posted unpaid is chargeable on delivery with double postage.

It will be seen from the foregoing rules that there is no legal way of sending a written letter through the post for a postage of a halfpenny, except by means of a post card. A certain number of persons seem to imagine that if envelopes are left unfastened, letters may be enclosed in them and sent for a postage of a halfpenny only. It is desirable, therefore, to point out that the minimum postage upon all written letters (which are not written on post cards) is one penny, whether they be open or closed, and that letters posted contrary to this rule are liable to an additional charge of double the deficient postage on delivery.

Foreign and Colonial.—Official post cards, single and reply, are transmissible to all parts of the world. Single cards are issued with impressed stamps of 1d., and reply cards bearing stamps of the value of 1d. on each half.

Inland post cards are also transmissible abroad if the additional postage required is supplied by means of postage stamps affixed to the cards.

Private post cards, bearing adhesive stamps of the value of one penny, and private reply cards, with adhesive stamps of the value of one penny on each half, may be sent as post cards to places abroad, provided that they are in conformity with the official post cards. They must be of the same size and substance as the official cards, and *must have the words "post card" printed on the address side*, without the Royal arms.

The reply halves of private double cards must bear in print the words "post card—Great Britain and Ireland," and "reply."

Plain cards, without any printed inscription, cannot be sent abroad as single or reply post cards.

Nothing must appear on the front of a post card but the stamps required for postage, postal directions (such as "registered," "acknowledgment of delivery," &c.), the name and address of the recipient in writing, or on a gummed label not exceeding in size 2 inches by $\frac{3}{4}$ inch, and the name and address of the sender indicated in writing, or by means of a stamp or any typographical process. Nothing whatever may be attached to a post card except adhesive postage stamps, or an address label, as described above.

A post card must not be folded, cut, or otherwise altered.

Post cards not in accordance with the regulations are treated as insufficiently paid letters.

The sender of a post card, with reply paid, may indicate his name and address on the address side of the reply half.

The reply halves of double post cards, whether official or private, are available only for return to the country of origin, and, with this exception, post cards of one country are not available as such if posted in another country. If so posted, they are charged as unpaid letters.

EXPRESS DELIVERY.

There are three systems by which letters and parcels can be specially delivered, viz. :—

1. By special messenger all the way. This is the most rapid service, and, to secure it, letters, &c., must be handed in at an Express Delivery Post Office.
2. By special messenger after transmission by post. For this service a letter may be posted in any letter box, from which it will be collected by a postman, and be expressed on reaching the proper office.
3. By special delivery in advance of the ordinary mail. By this means any person may make an arrangement with the local postmaster to secure the immediate delivery of his own correspondence on its arrival.

1. *Local Service. By Special Messenger All The Way.*—(a) For a letter, packet, or other article not exceeding 1 lb. in weight, the express fee (inclusive of charges for omnibus, tramcar, railway, &c.) is :—

For every mile or part of a mile 3d.

For a letter, packet, or other article over 1 lb. in weight, the express fee is :—

For every mile or part of a mile 3d.

For every lb. or part of a lb. beyond the first lb. ... 1½d.

(Ordinary postage is not charged.)

(b) If the sender desires that a cab or other special conveyance be used throughout (i.e., from the place of posting to the place of delivery), or when such conveyance is required to be used under any of the regulations following, the actual fare or cost of such conveyance must be paid, in addition to the express or mileage fee ; but no charge is made for weight. (c) If the distance exceeds two miles, and a public conveyance (i.e., railway, omnibus, or tramcar, &c.) is not available in both directions, the actual cost of a special conveyance must be paid, in addition to the express fees

Exception.—Any express packet, letter, or parcel, not exceeding 5 lbs. in weight, may be delivered by foot messenger up to a distance of three miles, if the sender does not wish to pay for a special conveyance. The express fee chargeable in this case is 3d. per mile, in addition to the weight charge, if any. For distances of more than three miles, the cost of a special conveyance must be paid in all cases (if no public conveyance is available), in addition to the express fee.

- (a) Every packet must be handed in over the counter. In no case may it be placed in a letter box.
- (b) The words "express delivery" must be boldly and legibly written by the sender above the address in the left-hand corner of the cover.

2. *Express Delivery, after Transmission by Post.*—Letters intended for express delivery from the post office of destination only can be posted like ordinary letters, but they must be clearly marked "express delivery," and have a thick perpendicular line drawn from top to bottom of the envelope, both on front and back. The fees must be paid in postage stamps, at the following rates :—

- (a) In addition to the full ordinary postage, the express fee is :—
For every mile or part of a mile from the office of delivery, 3d.
The weight charge of 1½d. a lb. does not apply in this case.

In London the fee for the express delivery of a letter or parcel from the usual delivery office is in no case more than 3d., in addition to the ordinary postage, even when the address is more than a mile distant from the express office; but if the article is "expressed" from the General Post Office, or from a head district post office, to an address outside the ordinary postal delivery of those offices, then the full express fee of 3d. a mile throughout is charged.

3. *Special Delivery of Letters, &c., in Advance of the Ordinary Deliveries, at the request of Addressee.*—Persons or firms who desire at any time to receive their letters, or other postal packets of any kind (including parcels, book packets, newspapers, and circulars), in advance of the ordinary delivery, may have them delivered by special messenger on payment of the following fees, viz. :—

The full express fee of 3d. a mile as for one packet, and 1d. for every 10, or less number, of additional packets beyond the first.

Applications for such special delivery must be signed by the person to whom, or firm to which, the letters or postal packets in question are addressed. Forms of application may be obtained at any post office from which letters or parcels are delivered, and also from the more important branch and town sub post offices.

RAILWAY LETTER POST.

Single post letters not exceeding four ounces in weight are accepted at nearly all railway stations in the United Kingdom, including Douglas (Isle of Man), and Guernsey and Jersey in the Channel Islands, under the conditions set forth below :—

1. An ordinary 1d. postage stamp (or two $\frac{1}{2}$ d. stamps) must be placed on the letter by sender in the usual way, and in addition 2d. must be paid by sender at the parcel or booking office for the railway conveyance, making a total charge of 3d., which will cover the whole cost of transmission. A special railway adhesive label, value 2d., will be affixed to the letter, alongside the postage stamp (or stamps).
2. No letter will be accepted for transmission which :—
 - (a) Exceeds four ounces in weight ; or is
 - (b) Addressed to a foreign country, or to a Colony or British possession ; or which
 - (c) From any words or marks thereon appears to be intended for registration ; or which
 - (d) contains or appears to contain a watch, coin, or jewellery, or any article or thing which is sent by post unregistered would be subjected to registration by the post office ; or which
 - (e) Contains or appears to contain any article or thing which may not, under the regulations for the time being, be sent by the Inland Letter Post.
3. The letters will be forwarded by the first available train or steamship to destination.
4. The letters are either to be addressed to consignee at a railway station, to be called for, or to the actual residence of the consignee, with the name of the terminal railway station.
 - (a) Example of a letter addressed to a railway station, to be called for :—

JOHN JONES, Esq.,

Parcel Office,

DEWSBURY STATION.

To be called for.

- (b) Example of a letter addressed to the actual residence (or place of business) of the addressee :—

THOMAS WILLIAMS, Esq.,

27, Bank Street,

BOLTON,

Lancs.

To Bolton Station.

In case (a), the letters will be kept at the parcel office until called for, and in case (b), they will either be delivered to a post office official or placed in the post office receptacle nearest the station. The letters are not delivered to consignee's address by the railway company's servants.

5. Letters addressed "to be called for," and not claimed within seven days, will be handed to a post office official, or taken to the nearest post office, endorsed "not called for."

MISCELLANEOUS REGULATIONS.

Postmasters and the Public.—Postmasters are not allowed to return any letter, parcel, or other postal packet to the writer or sender, or to anyone else, or to delay forwarding it to its destination according to the address, even though a request to such effect be written thereon.

Re-direction.—Letters, book packets, post cards, and newspapers are not liable to additional postage for re-direction, whether re-directed by an officer of the post office or by an agent of the addressee after delivery, provided in the latter case that the letters, &c., are re-posted not later than the day (Sundays and public holidays not being counted) after delivery, and that they do not appear to have been opened or tampered with.

Perforation of Postage Stamps.—In consequence of representations made to the post office by various firms that there is reason to believe that their postage stamps were purloined by persons in their employ, the department has recommended that the initials of firms, &c., be perforated through the stamps by means of a machine devised for the purpose, and postmasters have been instructed not to purchase such stamps. The perforation of the stamps on post cards, newspaper wrappers, and embossed envelopes with initials is also not objected to.

Whenever adhesive stamps are used for denoting the stamp duty on a receipt or other document, the perforation is not to be regarded as a cancellation of the stamp, but in all such cases the stamp must be cancelled by writing across it, as is required by law.

Opening or Impeding Delivery of Another Person's Letters.—Any person, not in the employ of the post office, who either opens a letter addressed to another person, wilfully or maliciously, with intent to injure him, or prevents or impedes the delivery of a letter addressed to another person, is declared to be guilty of a misdemeanour, and liable to a penalty of £50, or to imprisonment for six months.

For detailed information on the above and other postal matters, reference should be made to the "Post Office Guide," published quarterly, price 6d.

PRIVATE LETTER-BOXES AND BAGS.

Most business houses have a private box at the post office, for which they pay £1 1s. 0d. per annum. The letters, which are called for at stated times, are placed by the post office officials in the firm's private bag, which is then locked and can only be opened by one of the principals.

In very large concerns, where many letters are received daily, the letter-box is provided with two locks, the keys being in the possession of two clerks (one key each), whose duty it is to open the letter-box together. The letters are counted and sorted, and a form similar to the following is filled up. They are then handed to the manager or other responsible person who checks the figures on the form and afterwards distributes the letters to the different departments.

<p>8 30 a.m.</p>	<p>29/10 18 97.</p>	
<p>1801 Letters.</p>	<p>1 by Hand.</p>	
	<p>1d. to Pay.</p>	
	<p>2 Regist^d.</p>	
	<p>to Pay.</p>	
<p>32 Papers.</p>		
<p>A. J. F. } B. W. } Opened Box.</p>		

<p>1554 General</p> <p>2 Registered</p> <p>31 News Department</p> <p>65 Personal</p> <p>149 Editors</p>	
<p>1801 Total.</p>	

Accounted for
E. J. G.

SECTION 4.

QUESTIONS ON CHAPTERS I. TO XXI.

N.B.—Chapter XX. (Postal Matters) should be read in conjunction with Chapters I. to say X. A number of questions on Postal Matters have therefore been included in this list.

CHAPTER I.

1. Enumerate the materials required for press-copying.
2. What kind of ink is used for writing documents required to be press-copied? What other kinds of ink are used in an office, and for what purposes?
3. Describe the process of press-copying.
4. How may 10 *letters* be copied at once, and how may 6 *copies* of a letter be obtained at once?
5. If a page in the Letter Book be spoiled, what must not be done, and why? What should be done?
6. In press-copying type-written matter, what should be done?

CHAPTER II.

7. What is (1) an *index*, (2) a *loose index*, and (3) an "Extension Index?"
8. How can you find in the Letter Book the copy of a letter sent out of an office when (1) the date of the letter is given, and (2) the addressee's name is given?
9. On what page of the index will be found letters addressed as follows:—Messrs. John Wilson & Co., Messrs. W. and C. Fox, Messrs. Gregory, Shaw, & Co., the Amalgamated Cotton Spinners' Society? Write the names as they would appear in the index pages.
10. How would you index letters to (1) W. J. Sands, Esq., Manager, Ideal Club Co., Ltd.; (2) Sir Joseph Wilson, Bart.; (3) The Secretary, Yorkshire Coal Co., Ltd.; (4) W. G. Gilpin-Brown, Esq.; (5) Charles Masey, Esq., Manager, Barnsley Banking Co., Ltd.; (6) Messrs. Edward Lamb & Co.; and to (7) Messrs. John Wilson & Son, Paisley?
11. What is the "Cross-Reference," and what is its use? Give an example.

CHAPTER II. (*continued*).

12. On pages 5, 29, 52, 76, and 93 of the Letter Book you find copies of letters to Williamson & Co., London. Show the cross-reference on each page.
13. What is a Vowel Index? In this index, how would you index the letters in question No. 10?
14. What is a Card Index? Say what you know of it.

CHAPTER III.

15. Show how you would fold *octavo-sized*, *quarto-sized*, and *foolscap-sized* letter-papers?
16. How are sheets of paper and documents fastened together?
17. What is an Address Book?
18. The National Bank of India, Ltd., carries on business at 39, Thread-needle Street, London, E.C., and the Manager is Robert Campbell. Show how you would address an envelope.
19. What are the maximum dimensions permissible for an inland letter?
20. If a letter exceed these dimensions how would you deal with the contents so as to send them through the post?
21. If a letter weighing $5\frac{1}{2}$ oz. be posted with only a penny stamp affixed, what would be the surcharge on delivery?
22. What is the postage on letters as follows;—
- | | | | |
|-----|-------------------------|----------|--------------------|
| (a) | Bradford to London, | weighing | 6 oz. |
| (b) | Manchester to Calcutta, | weighing | $1\frac{1}{4}$ oz. |
| (c) | Dewsbury „ Leeds, | „ | $3\frac{1}{2}$ „ |
| (d) | Sheffield „ Batley. | „ | $7\frac{1}{2}$ „ |
| (e) | London „ Lisbon, | „ | $2\frac{3}{4}$ „ |
23. To what foreign countries is payment of postage compulsory?
24. If a letter to any such country be not prepaid, what results?
25. What is a late-fee letter?
26. Can a late-fee letter be posted otherwise than at a Post Office? If so, where?
27. If money be enclosed in a letter, what should be done?
28. When a firm sends at one time several packets for registration, what should be done?
29. What is the limit of compensation for loss of a letter containing coin?
30. If coin or bank notes be enclosed with a letter (registered), what has to be done to ensure compensation being paid in case the packet be lost?

CHAPTER IV.

31. What is the Postage Book? Rule one, make eight entries in it, and then balance it.
32. Why do some firms require the exact address on the envelope to be entered in the Postage Book?

CHAPTER IV. (*continued*).

33. In order to prevent pilfering, what is sometimes done to the stamps?
34. In what book is a record of small payments kept? Who usually keeps this book?
35. What should this book show?
36. Explain how it is opened and kept.
37. Rule examples of the two kinds of Petty Cash Books, make twelve entries in each, and balance them, summarising the expenditure.
38. Who checks or audits the Petty Cash Book, and how does he do it?
39. What is the registration fee for a foreign letter?
40. What is the postage on—
 - (a) A registered letter weighing $3\frac{1}{4}$ ozs., Manchester to Rome?
 - (b) A packet of commercial papers weighing 11 ozs., London to Madrid?
41. How would you send by post a packet of books weighing 18 ozs.?

CHAPTER V.

42. Rule a form of Letter Register, and make six entries in it.
43. What use is the Letter Register?
44. What are the two most common methods of preserving letters.
45. In which of the pigeon-hole compartments would you find letters from (a) B. Smith, Secretary, Natal Trading Co.; (b) H. W. Jones, Manager, Chartered Mercantile Bank of India; (c) J. A. Williams & Co.?
46. What is a "docket," and what should a docket always show?
47. What is the postage on—
 - (a) A packet of commercial papers weighing 2 ozs., from London to Paris?
 - (b) A parcel weighing $2\frac{1}{2}$ lbs., from Bradford to Port Elizabeth?
 - (c) A letter weighing $3\frac{1}{2}$ ozs. from Leeds to Edinburgh?
 - (d) A registered letter weighing $1\frac{1}{4}$ ozs., from Wakefield to Vienna?
 - (e) A packet of mixed printed papers and commercial papers weighing 6 ozs., from Batley to Milan?
 - (f) A parcel weighing $4\frac{1}{2}$ lbs., from London to Madrid?
 - (g) A newspaper weighing 8 ozs., from Leeds to London?
 - (h) A newspaper weighing $6\frac{1}{2}$ ozs., from Leeds to Berlin?
 - (i) A packet of patterns weighing 7 ozs., from Bradford to London?
48. How many Customs Declarations should be made out for the parcel referred to in Question 47 (f) above?

CHAPTER VI.

49. How would you telephone to a firm whose number is 324?
50. What are the telephone clerk's duties?
51. Give an example of a Telephone Message Form, filled up.

CHAPTER VI. (*continued*).

52. How could you make use of the telephone if you were not a subscriber?
53. What is the charge for sending messages over the Trunk Wires (1) to subscribers to the Telephone Company; (2) to non-subscribers?
54. What is meant by a "Trunk Telephone?"
55. In posting a parcel to Portugal what must be done besides posting and affixing stamps?
56. What is the postage on a 5 lbs. parcel to Germany, *via* Belgium?
57. Name an important foreign country to which there is no parcel post.

CHAPTER VII.

58. What is a *sale*, and what a *contract*?
59. How may sales be made, and when can contracts be enforced?
60. What are the essential points in a contract or sale?
61. What is a *price list*? Get six price lists relating to different trades before the next lesson.
62. What is a *prices current*? Get six specimens relating to different trades.
63. What takes the place of the *tender* or *estimate* in ordinary commercial affairs? Give an example.
64. What is the difference between an *order* and a *quotation*?
65. When is it necessary to confirm an order in writing, and how is it generally done?
66. In what ways may business be opened?
67. What are Enquiry Associations, and when do business men make use of them?
68. What is the essential difference between a *contract note* and an *order form*?
69. By whom is a Del Credere contract guaranteed, and what is it?
70. Write out the two forms of Delivery Order. When are they used, and what is the difference between them?
71. Write a letter (properly headed and addressed) ordering the following goods:—25 reams foolscap @ 6/6, 30 reams note paper @ 5/-, 10,000 envelopes @ 3/6; to be forwarded per L. & N. W. Rly. Usual terms.
72. What are the principal documents used in commercial sales?
73. What is the difference between a Price List and a Prices Current?
74. What is a Firm Offer?

CHAPTER VIII.

75. What does the carman sign on receiving goods for forwarding by rail or carrier, and what is the use of this book? Give a specimen.
76. What form is handed to the carman with the goods?
77. What particulars are generally given on this form?

CHAPTER VIII. (*continued*).

78. What is the counterfoil, and what appears on it?
79. What is sent to a customer at the same time as goods are being forwarded, and what is it?
80. Send five bags of sugar to Glasgow, by the L. & N. W. Railway, and make out all the necessary forms?
81. Suppose a bag of sugar is not up to sample, or is damaged in transit and returned, what would your customer send with it when returned? If not, what would you send?
82. What do you send to your customer before his fixed pay-day? Give a specimen of such a document, showing credits of returns, allowances, &c.
83. What are Discount, Commission, and Brokerage?
84. What is the difference between *gross* weight and *nett* weight?
85. What is meant by *tare*, *particular tare*, *average tare*, *customary tare*, *computed tare*, and *super tare*?
86. What is Tret?
87. Make out an invoice for the goods mentioned in question 71. Terms 5 % or 3 mos. nett; packing case, 1/6; carriage paid.
88. Make out a statement for the above.
89. Explain the terms Gross Weight, Tare, Nett Weight, and give an example to illustrate your answer.
90. What is the meaning of the word "discount" (in invoice)?
91. What is the meaning of prompt cash less 4 mos.?
92. Describe the procedure in sending goods by rail.
93. What is the postal fee on the following :—
 - (a) A letter weighing $2\frac{1}{4}$ ozs., London to Calcutta?
 - (b) A newspaper weighing 1 oz., London to New York?
 - (c) A registered letter weighing $1\frac{1}{2}$ ozs., Leeds to Genoa?
 - (d) An unstamped letter weighing $2\frac{1}{4}$ ozs., Batley to Vienna?
94. In sending a newspaper by post, what must you be careful to do?
95. If any writing be enclosed in a newspaper sent by post, how is the packet treated, and what would be the extra charge for such a packet if weighing $3\frac{1}{2}$ oz.?

CHAPTER X.

96. What is the difference between a Money Order and a Postal Order?
97. If you wish to send money orders to persons living at the following addresses, at what post offices respectively would you make them payable :—
 - (a) 14, Shaftesbury Road, Hammersmith, London, W.?
 - (b) 239, Edgeware Road, London, W.?
 - (c) 88, Finchley Road, London, N.W.?
 - (d) Weedon, Aylesbury?
98. Write a letter requesting that the sum of £9 10s. due to you be remitted to you at once by telegraph, less cost of remittance. State the name of a telegraph office in your town at which the money should be made payable.
99. Write a letter stating that the amount has been remitted as desired (mention amount remitted).

CHAPTER XI.

100. What is a Receipt? When is a stamp required, and what is its value?

101. Show how you would receipt an invoice for the full amount paid by cheque (say £37 4s. 6d.).

102. If you have an invoice amounting to £150, and you receive £120 in part payment, how would you make out the receipt?

103. Say what you know of the different forms of receipt.

104. What is the "counterfoil" of a receipt?

105. Is a stamp required on a receipt given at the foot or on the back of a cheque? If you think not, give your reasons.

106. Explain the meaning of "Express Delivery" of a letter.

107. Describe how you would send an express letter from the head post office in your town to a place a mile and a half distant, and say what the charge would be.

CHAPTER XII.

108. Show how you would commence a business letter to:—

(a) Henry Livesey, Ltd., Blackburn.

(b) Dunlop Bros. & Co., 26, Great St. Helens, London, E.

(c) John Dewhurst, 24, Brook Street, Bradford.

(d) The Bradford Manufacturing Co., Ltd.

109. Writing on 12th October, how would you refer to the following dates:—26th August, 2nd May, 15th September, 12th November, 4th October, 21st December, in the same year?

110. Write a short letter (properly headed and addressed), enclosing cheque for £7 5s. 6d., and asking for receipt. Show how you would docket that letter.

111. Give the meanings of the following abbreviations:—Mos., a/c, pcs., pkgs., bls., cs., pcl., disct.

112. Write an application in reply to the following advertisement:—

OFFICE BOY wanted by a Foreign Shipping House.—Address, in own handwriting, stating age, &c., B 189, *Leeds Mercury*.

113. How many distinct styles of correspondence are there? Name them, and describe their respective uses.

114. Write the following letter, &c.:—From Stephens, Brown & Co., Bradford, to Latham, Steel & Co., London, acknowledging letter with order for 80 pcs. worsted tweeds, at 3/-, stating price advancing rapidly, cannot take less than 3/3. Reply by wire to-morrow.

115. From L. S. & Co. to S. B. & Co., stating induced customer to raise limit to 3/3: too late to wire to-day.

116. From S. B. & Co. to L. S. & Co., stating limit again impracticable, price now 3/4½; have firm offer at that price till 11 a.m. to-morrow. Wire first thing in morning.

117. Telegram from L. S. & Co. to S. B. & Co., accepting firm offer at 3/4½.

118. Make out the following documents respecting the above transaction:—

(a) Invoice for 80 pcs. (2,510 yards).

(b) Credit Note for 63 yds. returned.

(c) Statement.

CHAPTER XIV.

119. State what would be the cost (including portorage, if any) of sending a telegram of 12 words, including address, to the following places, and give the name of the nearest Telegraph Office :—

- (a) Ebberston, York.
- (b) Frampton, Boston.
- (c) Upper Hill, Leominster.

120. Condense all preceding letters into telegrams.

121. Supposing you are sending a letter to America, and you miss the post, how could you have a message sent on from the port of departure of the steamer?

122. In sending a telegram are you obliged to hand the form in at a telegraph office? If not, how would you manage to despatch the telegram?

123. What is the meaning of a registered telegraphic address? Give an example.

124. If you wish to send six identical telegrams to persons living in the same town, what would be the cheapest way of doing it?

CHAPTER XVI.

125. What is money?

126. Mention some of the things which have been used as substitutes for money.

127. What has always been the favourite substance for use as money, and for what reasons?

128. What is a "Standard of Value?"

129. What is the Standard in (1) the United Kingdom; (2) Germany; (3) India?

130. What is "coin," and where is it generally made?

131. What is the meaning of "token" coins?

132. What is Bullion?

133. What is Specie?

134. What is the meaning of "Legal Tender" of money?

135. What amount is legal tender in the United Kingdom (1) in sovereigns; (2) in shillings; (3) in pence; (4) in farthings?

136. What words do the symbols "£ s. d." represent, and what do the words mean?

137. Why is a sum of 20/- called a "pound?"

138. What is the difference between metallic and paper currency?

139. What is meant by "circulating medium?"

140. What is meant by "Cheap" and "Dear" money, and by "Light Gold?"

141. Write a letter in reply to the following advertisement:—

JUNIOR CLERK wanted for a Foreign Shipping House, one with a knowledge of French and Shorthand preferred.—
Address X 29, *Bradford Observer*.

CHAPTER XVII.

142. What is a Banker, and what is the nature of his business?
143. What use are Bankers to the commercial community?
144. How many kinds of Banks are there, and how do they differ from one another?
145. To what kind of bank does the Bank of England belong, and what was its origin?
146. Of what do Banker's profits consist?
147. What is the difference between Simple Interest and Compound Interest?
148. What is Discount, and what is a Rebate?
149. What is the difference between a Current Account and a Deposit Account?
150. On September last Messrs. Latham & Co. paid into the Yorkshire Banking Co., Bradford, on behalf of Mr. Isaac Williamson, 4 Bank of England notes of £5 each, 2 Yorkshire Bank notes of £5 each, a cheque on that bank for £37 7s. 6d., a cheque on a London bank for £10 5s. 0d., and the sum of £12 7s. 6d. in coin. Make out a paying-in slip and counterfoil for this.

CHAPTER XVIII.

151. Show how you would endorse a cheque drawn to the order of W. & J. Smith for a/c of Wm. Scruton.
152. For what reason would a bank probably refuse to pay a cheque signed "James Pearson, Manager, Airedale Spinning Co., Ltd.," that gentleman being authorised to sign cheques?
153. What is meant by, and what is the effect of, "crossing" cheques?
154. Explain what is meant by a "general crossing" and a "special crossing," and give an example of each.
155. Explain how you would draw a cheque so as to make certain that it would be paid to the proper person only, and could not be made use of if stolen.
156. How would you obtain payment of a crossed cheque, paid to you, if you had no banking account?
157. Draw a cheque for £250, payable to John Wilson or order, and crossed London Joint Stock Bank. How would John Wilson obtain payment of the money?
158. What are the two forms of cheque in general use, and how do they differ?
159. Describe what is meant by drawer, drawee, and payee.
160. What is a blank endorsement?
161. In what cases may the crossing be altered or added to?
162. Is it possible to alter an "order" cheque to "bearer," and *vice versa*? If so, how is it done?
163. Explain the meaning and effect of the words "not negotiable" on a cheque.
164. Can a cheque be crossed by anyone but the drawer?
165. Give a few examples of the various modes of crossing cheques.
166. What is considered a "reasonable time" within which a cheque should be presented for payment?
167. Is it possible to stop payment of a cheque? If so, how would you do it?

CHAPTER XIX.

168. What is the difference between a B/E and a cheque?
169. What stamp is required on a B/E for £125, and what on a cheque for that amount?
170. What is the meaning of "acceptance"?
171. What is meant by a "general" and a "qualified" acceptance?
172. What is meant by the "currency" of a bill?
173. What are "days of grace" on a bill?
174. What is meant by a "restrictive endorsement"?
175. What is the difference between bills payable and bills receivable?
176. What is meant by (a) "discounting," (b) "renewing," (c) "retiring," and (d) "negotiating" a bill?
177. What is an Accommodation Bill? Does it differ from an ordinary bill?
178. When, by whom, and to whom should each of the following be presented for payment:—
 - (a) A B/E at 60 a/d drawn by Roberts & Co. on J. Nutt & Co., 29th June, 1897, in favour of Shorter & Co., accepted 18th July, and endorsed to Stephenson Bros.?
 - (b) A B/E at 30 d/s drawn by Newman & Co. on 30th January, 1897, on J. & W. Turner in favour of drawers, and accepted 31st January?
179. Why are Foreign bills drawn in sets of two or three, and why are they generally drawn at so many days' or months' "sight"?
180. When is a B/E called an "acceptance," and when is a bill said to be sighted?
181. On 31st of July, 1895, Messrs. Williamson Bros. & Co., of Manchester, buy goods from Mr. Joseph Thomson, of London, and he draws on them for the amount (£94 3s. 2d.) at 3 m/d, in favour of Messrs. Goodson & Co. or order. The bill is accepted on 1st August, and on the 5th August is endorsed in blank by the payee. Draw the bill, show the acceptance and the endorsement, and state the due date.
182. Write a letter from the drawer to the drawee advising the draft.
183. Explain shortly the meaning of the following terms, &c., relating to B/E:—Sole or sola, first, copy, via, maturity, currency, Inland Bill, Foreign Bill, D/D, D/A, 3 m/d, 30 d/s.
184. What is the meaning of the term "sans recours" (without recourse), frequently used on B/E, and where would these words appear on the bill?
185. Designate the parties to an accepted and endorsed B/E.
186. Distinguish between a blank and a special endorsement.
187. When is a bill said to be dishonoured?
188. How does a Promissory Note differ from a B/E?
189. State the due date in the following cases:—
 - (a) A P/N drawn on the 30th November, 1897, at 3 m/d.
 - (b) A B/E drawn on the 28th August, 1897, at 60 d/d.
 - (c) A B/E at 30 d/s, accepted 23rd November, 1897.

CHAPTER XIX. (*continued*).

190. Messrs. Skipton & Co., of Leeds, owe Messrs. Provost Bros., London, £580 10s. 0d., against which Messrs. Skipton & Co. remit on the 4th October, 1897:—

(1) A B/E for £420, at 3 m/d on Messrs. Mackintosh & Co., Manchester, drawn by J. Holland & Co., London, on 30th September, 1897, in favour of Skipton & Co., accepted payable at the London & Westminster Bank, London, and endorsed by Skipton & Co., to Provost Bros.

(2) Skipton & Co.'s P/N for the balance at 3 m/d.
Draw the B/E (showing the acceptance and endorsement) and the P/N.

191. State when, by whom, and to whom, each of the above should be presented for payment.

192. Write a letter from Skipton & Co. to Provost Bros., remitting the above.

193. Provost Bros. discount the B/E on 5th October at $2\frac{1}{2}\%$. How do they do this, and what amount do they receive?

194. What is a Letter of Credit?

195. Define shortly the terms "bills payable," "bills receivable," "bills for acceptance," "post dated."

196. On 26th July, 1897, Mr. Samuel Burton, London, buys goods, value £215 7s. 6d. nett, from Messrs. Dearman & Co., London, and they draw on him for the amount at 3 m/d in favour of Grimstone & Co. This bill is presented for payment on due date by Messrs. Sharpe and Short, the holders of the bill, and payment is made by a cheque on the London and Westminster Bank crossed to the London and South Western Bank for a/c of payee. Draw the cheque and show the crossing.

197. Write the following letters:—

From the drawer of the above draft, advising it.

From the payee to the drawee, forwarding the bill for acceptance.

198. What are Council Drafts and Telegraphic Transfers?

199. What is a Letter of Credit? Is there more than one kind? If so, enumerate and describe them.

200. How do cheques, I.O.U.'s, Promissory Notes, and Bills of Exchange differ from one another?

INDEX.

	PAGE		PAGE
Accuracy in Business	3	Bronze Coins	77
Addressing Envelopes	14	Bullion	80
Advantages of a Banking Account	88	Business Abbreviations	138
Advice Note (remitting money)...	51	,, Management	3
Affixing Postage Stamps	15	,, How to Open	31
Bank, Private	86	Card Index... ..	10
,, Joint Stock	87	Carbon Duplicating Process	73
,, Post Office Savings	84	Cheques	91
Bank of England	85	,, Altering or Adding To	
Banks and Banking	83	the Crossing	107
Banking Account, Advantages of	88	,, Cheque Punch	91
Baron Rothschild's Maxims	2	,, Crossed	98
Bill of Parcels	35	,, Crossing	99
Bills of Exchange	110	,, Date	94
,, Acceptance	115	,, Endorsements	97
,, ,, General or "Clean"	117	,, Not Negotiable... ..	104
,, ,, Qualified	117	,, Open	98
,, Accommodation Bills	133	,, Parties to	94
,, Advantages of	131	,, Presentment for Payment	108
,, Case of Need	124	,, Stopping Payment	109
,, Currency or Period	119	Clearing House	84
,, Date	114	Commission	40
,, Days of Grace	120	Consignment Note	42
,, Discounting	130	Contract Note	33
,, Dishonour	128	Correspondence	55
,, Endorsement	121	,, Commercial	58
,, ,, Blank	122	,, Official	58
,, ,, In Full	122	,, Private	58
,, ,, Restrictive	123	Council Bills	134
,, Parties to a Bill	115	Credit Note	37
,, ,, Liabilities of	118	Cross Reference or Page Index	10
,, Presentation for Payment... ..	128	Currency	79
,, Promissory Note	133	Current Account	88
,, Remitting Money by Bills		Debit Note... ..	38
of Exchange	131	Decimal Coinage	80
,, Sets and Copies	127	Del Credere	34
,, Stamp	113	Delivery Book	42
,, To Negotiate	130	,, Order	34
,, ,, Protect	130	Discount	40
,, ,, Retire	130	Docketing Letters	24
,, Usance	121	Duplicating Apparatus	73
Book Post	141	Enclosures in Letters	15
Bought and Sold Notes	33		
Brokerage	40		

	PAGE		PAGE
Enquiry Associations ...	33	Order ...	31
Express Delivery ...	153	„ Forms ...	32
Extension Index ...	8	Outgoing Correspondence ...	4
File Punch ...	25	Page Index or Cross Reference ...	10
Files ...	25	Paper Currency ...	79
Filing Letters ...	22	„ Money ...	79
Firm Offer ...	30	Parcel Post ...	149
Fixed Deposits ...	87	Pattern Post ...	148
Folding Letters ...	12	Paying-in Slip ...	90
Foreign Letters ...	16	Petty Cash Book ...	20
Forwarding Goods ...	42	Pigeon-holing ...	23
Gold Coins ...	77	Post Cards ...	151
Goods, Forwarding of ...	42	Post Office Savings Banks ...	84
Gross Weight ...	40	Postage Book ...	19
How to Open an Account with a Bank ...	89	Postal Matters ...	140
How to Open Business ...	31	„ Orders ...	48
Incoming Letters and Documents ...	22	Press-copying ...	4
Indexing ...	8	Précis Writing ...	65
Inland Letters ...	16	Price Current ...	29
Insurance of Letters ...	17	„ List ...	28
Invoices ...	35	Private Letter-Box or Bag ...	157
Late Fee Letters ...	16	Purchases and Sales ...	28
Legal Tender of Money ...	80	Quotations ...	31
Letter of Credit ...	136	Railway Letter Post ...	155
„ Rates of Postage ...	16	„ Rates and Charges ...	44
„ Reference ...	61	„ Service Terminals ...	45
„ Sorting Rack ...	7	„ Station Terminals ...	45
„ and Telegram Register ...	22	Rapidity in Work ...	3
Letters (see Correspondence) ...	55	Receipts for Money ...	52
Making-up Letters for Post ...	12	Re-direction of Letters, &c. ...	156
Mediums of Exchange ...	75	Registered Letters ...	17
Metallic Currency ...	79	Registration and Insurance of Letters ...	17
Metric and Decimal System ...	63	Remitting Money through the Post Office ...	48
Money ...	75	Sales and Purchases ...	28
„ Market ...	81	Sample and Pattern Post ...	148
„ Orders ...	49	Silver Coins ...	77
Multiplex Copying ...	73	Sold Notes ...	33
Neatness in Work ...	3	Specie ...	80
Nett Weight ...	41	Standard of Value ...	80
Newspaper Post ...	146	Stapling Machine ...	13
Official Letters ...	58	Statement ...	38
Opening or Impeding Delivery of another person's Letters ...	156	Stencil Copying ...	73
		Suttle Weight ...	41

INDEX.

171

	PAGE		PAGE
Telegrams	70	Token Coins	77
Telegraph Money Orders ...	50	Tret... ..	41
Telephone	26	Type-written Matter	6
Tender or Estimate * ...	30		
Tare... ..	40	Vowel Index	10
„ Particular or Real ...	40		
„ Average	40	Weight	40
„ Customary	40	„ Gross	40
„ Computed	41	„ Nett	41
„ Super... ..	41	„ Suttle	41
Telegraphic Transfers ...	134		